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ABSTRACT

A copy of the Comprehensive Employment and Training Act of 1973 (CETA) as amended in 1977 and a summary of the act's provisions with rationale for the amendments constitute this report. The 1977 version of the bill includes provisions for (1) extension of the authorization of all titles of CETA through 1978, (2) extension through 1978 the amendments of title VI of CETA made by the Emergency Jobs Programs Extension Act of 1976 to employ low-income persons in public service jobs, (3) waiving of some limitations on percentages of CETA funds to be used for specific titles, (4) provision to increase participation in CETA training and job opportunities for disabled veterans and Vietnam-era veterans under age 27, and (5) provision for the filling of elementary and secondary teaching positions with unemployed persons having previous teaching experience. The summary of the act restates its purpose (to provide training, employment, and other services leading to unsubsidized employment for economically disadvantaged, unemployed, and underemployed persons); describes the prime sponsorship system under which units of state and local governments are responsible for carrying out programs within their communities; and summarizes activities under the following titles of the act: Title I--Comprehensive Manpower Services; Title III--Special Federal Responsibilities; Title IV--Job Corps; Title V--The National Commission for Manpower Policy; and Title VI--Emergency Job Programs. (JT)

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SENATE

REPORT
No. 95-174

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1977

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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MAY 16, 1977.—Ordered to be printed

Mr. NELSON, from the Committee on Human Resources, submitted the following

REPORT

[To accompany H.R. 2992]

The Committee on Human Resources, to which was referred the bill (H.R. 2992) to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act of 1973, as amended, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONSIDERATION OF LEGISLATION

On March 29, 1977, the House of Representatives passed H.R. 2992, authorizing the appropriation of such sums as may be necessary for the fiscal year ending September 30, 1978, for carrying out all titles of the Comprehensive Employment and Training Act.

The Subcommittee on Employment, Poverty, and Migratory Labor held hearings on this legislation, in conjunction with hearings on S. 1242, the Youth Employment and Training Act of 1977, on April 24, 25, and 26.

The Subcommittee ordered an amended version of the bill reported May 4, and the full Committee on Human Resources ordered the legislation reported to the Senate on May 10.

COMMITTEE BILL

The Committee-reported version of the bill contains the following provisions:

(1) Extends the authorization for all titles of the Comprehensive Employment and Training Act for one additional year—through fiscal year 1978.

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(2) Extends through the end of fiscal year 1978 the amendments to title VI of CETA (made by the Emergency Jobs Programs Extension Act of 1976), under which each prime sponsor of a public service employment program under title VI may use its allocation, first, to sustain its existing number of public service jobholders under the Act; and, thereafter, shall fill any additional public service jobs with low-income persons unemployed for 15 or more weeks who have been receiving or are ineligible for unemployment compensation, or welfare recipients. Also, 50 percent of vacancies occurring in title VI public service jobs by attrition must meet those eligibility requirements, but the remaining 50 percent may be filled under the original title VI requirements (15 days unemployment in areas having 7 percent or higher unemployment rates, and 30 days unemployment in other areas).

(3) Provides for waiving for fiscal year 1977 and 1978 the limitation in section 4(e) of CETA preventing more than 20 percent of funds appropriated for CETA to be used for title III (Secretary's Responsibilities) and title IV (Job Corps).

(4) Provides that the Secretary of Labor shall take appropriate steps to increase participation in training and job opportunities under CETA for disabled veterans and Vietnam-era veterans under 27 years of age.

(5) Provides that, in filling teaching positions in elementary and secondary schools with financial assistance under title II or title VI or CETA, each prime sponsor shall give special consideration to unemployed persons with previous teaching experience who are certified by the State and who are otherwise eligible under CETA.

Summary of Comprehensive Employment and Training Act

The Comprehensive Employment and Training Act (CETA) was signed into law on December 28, 1973. As stated in the Act, it is the purpose of CETA to provide training, employment, and other services leading to unsubsidized employment for economically disadvantaged, unemployed, and underemployed persons.

The several titles of CETA authorize a variety of activities, as follows:

Title I establishes a nationwide program of comprehensive employment and training services (including training, employment, counseling, testing and placement) administered by prime sponsors which, for the most part, are States and units of general local government of 100,000 or more population.

Title II authorizes a program of public service employment in areas with 6.5 percent or higher unemployment for 3 consecutive months.

Title III provides for nationally sponsored and supervised training and job placement programs for such special groups as youth, offenders, older workers, persons of limited English-speaking ability, Indians, migrant and seasonal farmworkers, and others with particular labor market disadvantages, as well as research, demonstration, and evaluation programs to be administered by the Secretary of Labor.

Title IV provides the authorization of the Job Corps, a program of intensive education, training, and counseling for disadvantaged youth, primarily in a residential setting.

Title V establishes a National Commission for Manpower Policy, an advisory group which has been assigned the tasks of examining the Nation's manpower needs and goals and suggesting to the Secretary of Labor and to the Congress particular means of dealing with them.

Title VI authorizes an emergency program of public service employment jobs to help ease the impact of high unemployment.

Title VII contains general provisions, applicable to all titles, including definitions, conditions of work and training, prohibitions against discrimination and political activities, and administrative procedures for the orderly management of programs under the Act.

Prime Sponsorship System

Under CETA, prime sponsors are units of State and local government responsible for carrying out programs within their communities. States may act as balance-of-State prime sponsors for smaller (usually rural) areas within their boundaries that are ineligible to become prime sponsors in their own right. Cities or counties with populations of 100,000 or more are eligible to become sponsors after determining that they have a special capacity for carrying out CETA programs within certain labor markets or rural areas with high unemployment. Finally, section 102 of the Act provides that a limited number of Concentrated Employment Program grantees that were serving rural areas with high unemployment and had demonstrated high capabilities for carrying out the employment and training programs in these areas could be designated as prime sponsors.

A total of 403 prime sponsors qualified for designation in fiscal year 1975, the first year of operation for the new prime sponsorship system.

Fiscal 1976 saw an increase of 28 prime sponsors, including 23 new prime sponsors from among 36 newly eligible political jurisdictions and 5 additional prime sponsors created by changes in existing consortia composition. This numerical expansion continued into fiscal 1977 when 13 newly eligible applicants were designated as prime sponsors, for a total of 444.

The increase in the number of sponsors did not affect the geographic areas served (CETA has nationwide coverage), but only the governmental units that administer CETA in those areas. For example, a county that had previously been served under the balance-of-State may have attained a population of 100,000 and thus become eligible to be a prime sponsor and serve its jurisdiction directly.

The distribution of prime sponsors among the various categories for the current and last 2 fiscal years is indicated below:

	Total	Cities	Counties	Consortia	Rural CETA's	Balance-of-States
Fiscal 1975	403	58	156	134		51
Fiscal 1976	431	62	175	140	4	50
Fiscal 1977	444	65	179	145	4	51

During fiscal year 1976, Congress appropriated a total of $5.333 billion for programs under titles I, II, and VI and the summer youth program: $1.58 billion was appropriated under title I, $400 million under title II, $1.625 billion under title VI, and $528 million for the

summer youth program. In addition, Congress appropriated $1.2 billion in emergency supplemental funds under title II to continue the support of some 260,000 title VI participants nationwide.

The CETA title VI public service employment program enacted in 1974 was extended by the Emergency Jobs Programs Extension Act of 1976, signed on October 1, 1976. It provides authority to both extend the title VI program through September, 1977, and to create new public service jobs of no longer than a year's duration for the low-income, long-term unemployed.

Programs funded under the Comprehensive Employment and Training Act (CETA) of 1973 are a major responsibility of the Department's Employment and Training Administration. Fiscal 1976 appropriations for programs authorized under title I, II, and VI and the summer youth program totaled $5.333 billion.

One of the distinctive and critically important aspects of CETA is the built-in flexibility that encourages responsiveness to the diverse needs of the various geographic and socioeconomic areas. The value of this flexibility is apparent in the ways in which prime sponsors have been able to design and implement programs that combine traditional employment and training efforts with more experimental and innovative approaches.

The Employment and Training Report of the President (January 12, 1977) gives the following examples of such innovative approaches.

> Trinity and Lessen Counties, Calif., developed a program for delivering hot meals to senior citizens via mobile units. The program involves the recruitment of older workers to prepare the food, drive the vehicles and distribute the meals. This project succeeded in providing better nutrition for aged individuals and in giving employment to some of those who, because of their age, had difficulty maintaining a steady income.
>
> The State of Wisconsin used CETA funds to assist the West Central Wisconsin Community Action Agency (West CAP) in implementing an energy program that conserves fuel, reduces utility bills for low-income persons, and provides jobs for the unemployed. The program winterizes homes, identfiies rental homes needing better insulation, and supplies emergency fuel. Funds from CETA and West CAP made it possible to winterize 324 homes in a month at an average cost per home of $184, of which $77 was for materials and $107 for labor. It is estimated that the cost of fuel for each winterized home will be over $100 less each year.
>
> Johnson County, Iowa, recently completed a 6-month study of the county's personnel policies and procedures by using a mixture of county and CETA dollars and other resources. This study was necessary because personnel procedures that applied to 350 county government employees in 1971 were considered inadequate for the 1,300 presons employed in 1975. The study and the resulting procedural changes have suc-

cessfully laid the foundation for equal employment, hiring, and promotion opportunities for regular county and CETA employees.

Milwaukee County, Wisconsin, created a new program under title I that will open up skilled trade positions for women and minority group members. Known as BIG STEP, the program is operated by a private nonprofit corporation with a board of directors drawn from four groups: The Urban League, Opportunities Industrialization Centers, the Milwaukee building trades employers, and the construction trade unions of Milwaukee. As a result of this program, individuals will be prepared for apprenticeship examinations. Once the individuals are qualified for apprenticeship, the building trades employers and unions will assist them in obtaining and retaining jobs.

In addition to developing new services for their communities, prime sponsors have also been developing more effective methods to control their CETA dollars. At least four areas—Chicago, New York, St. Louis, and the Baltimore metropolitan consortium—are using "performance contracting." When a subcontractor is used to establish a training program for CETA enrollees, the training institution receives the last 15 percent of its funds only when the enrollees have successfully completed the program.

Title I—Comprehensive Manpower Services

Title I authorizes comprehensive employment and training services, including remedial education and skill training, employment, counseling, and supportive services. Under Title I, 80 percent of the authorized funds are distributed to prime sponsors, with the remaining 20 percent distributed as follows: 5 percent for grants to Governors for vocational training services; 4 percent to Governors for flexible State activities; 1 percent for State Manpower Services Council activities; up to 5 percent for consortia incentives; and the remaining 6 percent for the Secretary's discretionary use.

The funds distributed to prime sponsors is allocated so that 50 percent is allotted on the basis of the prime sponsor's manpower allotment in the preceding fiscal year, 37½ percent on the basis of relative numbers of unemployed, and 12½ percent on the basis of the relative numbers of adults in low-income families.

Although the number of enrollees in each of the activities under title I of CETA increased substantially in fiscal 1976 over fiscal 1975, the proportion of enrollees in each activity varied somewhat from one fiscal year to the other. The proportion of enrollees in work-experience programs was 54 percent in fiscal 1975 and 48 percent in fiscal 1976. Work experience is subsidized employment in the public sector and in private nonprofit agencies. In contrast to transitional public service employment, the work situations are temporary and are not necessarily expected to result in unsubsidized employment for the participants.

The purpose of such employment may be to provide the participants with experience on a job, to develop occuational skills and good work habits, or to expose them to various occupational opportunities.

About 32 percent of title I participants were enrolled in classroom training in fiscal 1976 and 28 percent in fiscal 1975, while about 10 percent each of those years were registered in on-the-job training.

Title III—Special Federal Responsibilities

Title III of CETA requires that the Secretary of Labor provide special programs for segments of the community that are in need of additional services beyond the scope of title I program sponsors. Among the target groups are youth, older workers, offenders, persons of limited English-speaking ability, and others determined by the Secretary to be at a particular disadvantage in the labor market.

INDIANS AND ALASKA NATIVES

Indian and Alaska native communities are a major recipient of CETA assistance, with $75.4 million allotted for programs to serve them in fiscal 1976. About two-thirds ($50.6 million) of this amount was allocated by statutory formula for title III employment, training, and related service programs under section 302 of CETA. Sec. 302 grants are awarded to federally recognized Indian tribes, bands, or groups and those prime sponsors or organizations working with non-reservation Indians which meet specific requirements of the Secretary of Labor. The remainder were made available to eligible sponsors under titles II ($7.8 million) and VI ($8.2 million) and the summer youth program ($8.8 million).

Total enrollments in all Indian and Alaska native programs during fiscal 1976 were 60,000, including 700 under title II; 2,600 under title VI; 41,600 under title III, section 302; and 15,7000 under the summer youth program. Approximately 41 percent of these enrollees were given work-experience assignments and 15 percent institutional training; 11 percent were placed in public employment positions, 5 percent in on-the-job training, and 28 percent in other activities. During the year, 10,000 permanent job placements resulted.

MIGRANT AND SEASONAL FARMWORKERS

The aim of title III programs for migrant and seasonal farmworkers is to improve living and working conditions for those who wish to continue in the agricultural labor market, while assisting others to obtain more stable employment in other occupations.

During fiscal year 1976, the funding level for these programs was maintained at $63.2 million, meeting the statutory requirement set forth in section 303 of CETA, that an amount equal to 5 percent of the amount allocated to State and local prime sponsors under title I be spent for such activities. Through a competitive process, 62 sponsors were selected to provide services to farmworkers in 47 States and Puerto Rico. In addition to classroom training, on-the-job training, work experience, and placement assistance, program participants could be provided such supportive services as medical and dental care,

child care, and nutritional services. Another 24 grants were awarded to provide self-help housing projects, high school equivalency and college training programs, and technical assistance.

SUPPORT FOR COMMUNITY-BASED ORGANIZATIONS

The Department of Labor provides funding under title III to selected national community-based organizations (CBO's) in order to assist them in improving the quality of the services that their community-based affiliates provide and in encouraging their affiliates to participate more fully in the programs developed by CETA title I prime sponsors. In fiscal 1976, $5 million was made available to the national offices of Opportunities Industrialization Centers (OIC's); Jobs for Progress, known as Service, Employment, and Redevelopment (SER); and the National Urban League. According to the Employment and Training Report of the President (January 12, 1977), an estimated $90 million in title I funds was also provided to local community-based organizations by prime sponsors. The local community-based organizations served about 110,000 persons, or approximately 6.4 percent of the 1,731,000 CETA participants served under title I.

SUMMER PROGRAM FOR YOUTH

Congress appropriated $528.4 million under section 304 of CETA for operation of the Summer Youth Employment Program for Economically Disadvantaged Youth in calendar year 1976. These funds were distributed by formula to prime sponsors to provide short-term jobs for 880,100 youth aged 14 through 21. As in past years, participants worked in such places as schools, libraries, community service organizations, hospitals, and private nonprofit agencies. Typical positions in 1976 included nurse aide, typist, school maintenance aide, cashier, library aide, clerk, nutrition aide, and day-care aide.

Ninety-five percent of the youth participating in the 1976 summer program were economically disadvantaged, compared with 83 percent of those in the 1975 program.

About 54 percent of the youth enrolled in 1976 were male. Three-fourths were between the ages of 16 and 21 (41 percent, 18 and 21, and 34 percent, 16 and 17), with another 25 percent aged 14 and 15. Whites represented less than half (42 percent) of the total; 51 percent were black, and 2 percent were American Indians. Twelve percent were Hispanic-Americans. Since many youth in the 1976 summer program were still students and others had dropped out of school, most (about 83 percent) had less than a high school education; however, 12 percent had finished the 12th grade, and 6 percent had gone beyond it. Two percent of the participants were handicapped.

TITLE IV—JOB CORPS

Now in its second decade of operation, Job Corps is working to expand training opportunities in existing centers while continuing to search for innovative educational techniques that can be used in preparing corpsmembers for the labor market. Initially authorized as a part of the Economic Opportunity Act of 1964 and later included as

title IV of the Comprehensive Employment and Training Act of 1973, the Job Corps program consists of two principal components—basic education and vocational skills training. Residential living—a characteristic that other employment and training programs have not shared—is also an important part of the Job Corps experience, although in recent years nonresidential training has also been available at some (usually urban) centers.

The purpose of the Job Corps is to assist disadvantaged youth, aged 16 to 21 years, to become more responsible, employable, and productive citizens. All participants in the program are out of work and out of school and in need of additional education, vocational training, counseling, and other services to help them obtain employment, return to school, qualify for other training programs, or enlist in the Armed Forces.

The Job Corps program received funds to support 20,700 training slots during fiscal 1976 at 60 centers located in 31 States and the Commonwealth of Puerto Rico. The total includes 27 civilian conservation centers administered by the Departments of Agriculture and the Interior in national parks and forests and on other public lands; 31 centers operated under contract with business firms, nonprofit organizations, or State and local government agencies; and 2 extension centers—a facility run by the Brotherhood of Railway, Airline and Steamship Clerks and another operated by the Stewards Training and Recreation, Inc. From the inception of the program in 1965 until June 30, 1976, Job Corps has enrolled 567,195 corpsmembers from all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands. Fiscal 1977 appropriation plans provide for a 10-percent expansion of Job Corps enrollment opportunities over the previous year.

EXPANDED OPPORTUNITIES

Recent Job Corps program emphasis has been placed on increasing training opportunities for women and on greater union involvement in vocational training. For example, 22 centers are now coeducational and offer training courses to both sexes in what are considered nontraditional occupations for women. A policy of continued conversion of Job Corps centers into coeducational facilities is resulting in a gradual increase in the number of training opportunities available to female corpsmembers.

The International Union of Operating Engineers began its participation in Jobs Corps activities with its preapprenticeship training of corpsmembers in 1966. Since that time, unions have become increasingly involved in Job Corps training efforts. Union programs—now offered at 39 centers—were expanded by approximately 400 training slots over the last year. This increase includes the expansion of training programs for women in the construction trades. Unions have also been responsible for placing over 90 percent of their program graduates in jobs with average starting salaries in excess of $4.30 per hour. Training at Job Corps centers is conducted by AFL–CIO unions representing carpenters, painters, plasterers, cement masons, bricklayers, and operating engineers, as well as railway, airline, and steamship clerks and marine cooks and stewards.

Job Corps curriculums are continually revised to keep pace with the changing needs of participants. The General Educational Development (GED) program continues to be emphasized. In fiscal 1976, over 4,000 enrollees were awarded the GED certificate, recognized by State educational agencies as the equivalent of a high school diploma. During the fiscal year, special emphasis was given to bilingual programs, field testing of new reading materials to augment the present program, and the initiation of standardized vocational curriculums.

Two other efforts to improve the overall Job Corps program are currently underway or planned—the school lunch program in which Job Corps members are now eligible to participate and the experimental program of allowance variations. Allowances for corpsmembers now range from $35 a month at the start of training to a maximum of $50 after 6 months' experience. In fiscal 1976, an experimental project was designed to test different allowance structures giving enrollees increases based on individual performance as a means of creating incentives for improved and extended Job Corps participation. The project will test three different allowance plans, all involving increases in living allowances with complete or partial offsetting reductions in the posttraining readjustment allowance. The three allowance plans will be tested in comparison with each other and the current system.

New linkages between Job Corps and other Department of Labor-funded programs were established during fiscal 1976. For example, a cooperative project was established by the Work Incentive Program and Job Corps in which teenaged mothers who are both recipients of Aid to Families with Dependent Children and volunteers under WIN are enrolled in nonresidential training positions at the Atlanta Job Corps Center. The mothers receive basic education in job skill training, and the full range of Job Corps services, while their children are given day-care services at the center. Plans for fiscal 1977 call for expanding the program to include three other Job Corps centers. The Department is also considering prime sponsors as additional recruitment sources for Job Corps and publicizing Job Corps educational techniques to providers of employment and training services.

ENROLLEE CHARACTERISTICS, PLACEMENTS, AND TERMINATIONS

A total of 43,406 new enrollees entered Job Corps in fiscal 1976 (see table 4). The distribution of these new enrollees by race and ethnic background, previous education, and family income was nearly identical to that of enrollees entering the program the year before: 55 percent were black and nearly 11 percent were of Hispanic origin, 87 percent had less than a high school education, and 75 percent were from families earning less than $5,000 per year. By sex and age, however, 1976 enrollees differed somewhat from those in the preceding year. The proportion of 18-year-olds and under, for example, dropped from 76 to 72 percent, and the proportion of women rose from 25 to 29 percent.

Job Corps had an overall placement rate in fiscal 1976 of 91.8 percent, a slight rise from the previous year. Of 28,946 placements, 19,857 were placed in jobs and 9,089 returned to school or entered the Armed Forces.

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SELECTED CHARACTERISTICS OF NEW JOB CORPS ENROLLEES, FISCAL YEAR 1976

Characteristic	Number	Percent
New enrollees	43,406	100.0
Sex:		
Male	30,948	71.3
Female	12,458	28.7
Age:		
Under 19 yr	31,166	71.8
19 to 21 yr	12,240	28.2
Years of school completed:		
Under 8 yr	2,387	5.5
8 yr	6,207	14.3
9 to 11 yr	29,039	66.9
12 yr	5,686	13.1
Over 12 yr	87	.2
Race:		
White	17,449	40.2
Black	24,047	55.4
Other	1,910	4.4
Spanish speaking:		
Latin American	3,386	7.8
Caribbean	911	2.1
Puerto Rican	391	.9
Family income: [1]		
Below $1,000	2,040	4.7
$1,000 to $1,999	2,648	6.1
$2,000 to $2,999	2,778	6.4
$3,000 to $3,999	3,603	8.3
$4,000 to $4,999	4,688	10.8
$5,000 to $5,999	4,384	10.1
$6,000 to $6,999	2,995	6.9
$7,000 and over	3,255	7.5

[1] Family income data do not include enrollees from families receiving public assistance (39.2 pct of the total).

Source: Employment and Training Report of the President: Jan. 12, 1977.

Title V—The National Commission for Manpower Policy

The National Commission for Manpower Policy, which completed its second full year of operations in 1976, is an independent advisory body that makes recommendations to the President, the Congress, and Federal agencies having manpower responsibilities, including the Department of Labor. In addition, the Commission plays an educational and catalytic role in stimulating a broad and informed public discussion of national manpower policy issues.

Early in its deliberations, the Commission concluded that, if it were to be able to fulfill its congressional mandate to develop proposals for a framework for a national manpower policy, it would need to consult broadly with all sectors of the society, including government, education, employers, trade unions, and community groups. In 1976, the Commission undertook an extensive program of meetings, special conferences, and publications. Conferences were held in Washington and around the country. Fourteen publications were produced by or on behalf of the Commission that year. A full accounting of Commission activities and a list of its publications are included in its Second Annual Report, December 1976.

The Commission began its exposition of a national manpower policy framework in its Second Annual Report to the President and the Congress, "An Employment Strategy for the United States—Next Steps." That report discusses the emergence of a national manpower policy, noting the principal elements of manpower and tracing the evolution of Federal manpower policy since enactment of the Employment Act of 1946. A major portion of the report is devoted to an elaboration of an employment strategy for the Nation.

Title VI—Emergency Job Programs

Title VI was originally added to CETA by the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93–567), signed by President Ford on December 31, 1974. Under title VI of CETA, approximately 260,000 previously unemployed persons have been hired in jobs meeting locally determined public service needs. The programs are administered by State and local governmental prime sponsors (including States, units of general local government, and combinations thereof). Funds are distributed to areas throughout the Nation according to a formula which is based 50 percent upon the numbers of unemployed, 25 percent upon the numbers of unemployed in areas having 6½ percent unemployment, and 25 percent upon the numbers of unemployed in excess of 4½ percent unemployment in each area.

During the last session of Congress, the Emergency Jobs Program Extension Act of 1976 was enacted into law (Public 94–444, signed October 1, 1976), extending the authorization for public service employment programs under title VI of the Comprehensive Employment and Training Act (CETA) through the fiscal year ending September 30, 1977. The legislation authorzed the appropriation of such sums as may be necessary in fiscal year in 1977.

The 1976 amendments provided that each prime sponsor of a public service employment program under title VI may use its allocation, first, to sustain its existing number of public service jobholders under CETA; and, thereafter, must fill any additional service jobs with long-term unemployed persons (persons unemployed for 15 or more weeks or welfare recipients). Under the 1976 amendments, 50 percent of vacancies occurring in public service jobs by attrition must also meet these eligibility requirements, but the remaining 50 percent may be filled under the original title VI requirements (15 days unemployment in areas having 7 percent or higher unemployment rates, and 30 days unemployment in other areas). The 1976 Amendments authorized not to exceed 15 percent of funds allocated for public service employment programs under title II and title VI of CETA to be used for necessary supplies and administrative expenses and also provided for a 2 percent set-aside of title VI funds for public service employment programs carried out by Indian Tribes.

Before its adjournment, the last session of Congress passed a Continuing Appropriations Resolution providing sufficient funding to sustain the existing number of title VI public service jobs (approximately 260,000) through September 30, 1977 (Public Law 94–473).

The Economic Stimulus Appropriations Act of 1977 (P.L. 95–29) was signed by President Carter on May 13, 1977. Under that appropriations act, additional funds for public service employment programs under title II of CETA have been allocated totaling $1,140,000,000, and additional funds for public service employment programs under title VI of CETA have been allocated totaling $5,363,000,000. The total number of public service jobs will be increased from the current level of 310,000 to 725,000 jobs within the next few months under this appropriation.

Eligibility Applicable to New Participants in Title VI Public Service Jobs

The 1976 Amendment providing for new title VI public service jobs to go to the low-income long-term unemployed will be implemented as follows, under final regulations issued by the Department of Labor (Federal Register, Vol. 42, No. 93—Friday, May 13, 1977):

> An eligible person must either be economically disadvantaged . . . or be a member of a family which has a current total family income . . . at or below 70 per centum of the lower living standard income level . . . and must be a person—
>
> (i) who is unemployed at the time of application and during the 20 weeks immediately prior to application has been receiving unemployment compensation for 15 or more weeks; or
>
> (ii) who is unemployed at the time of application and during the 20 weeks immediately prior to application is ineligible for unemployment compensation . . . and has been unemployed for 15 or more weeks; or
>
> (iii) who is unemployed at the time of application and was unemployed during 15 of the 20 weeks immediately prior to application, and who, during that 15 week period, was first ineligible for unemployment compensation then became eligible for and received unemployment benefits; or
>
> (iv) who, at the time of application, is unemployed and is an exhaustee [of unemployment compensation]; or
>
> (v) whose family is receiving Aid to Families with Dependent Children (AFDC), including AFDC-Unemployed Fathers, under Title IV of the Social Security Act.

Table F–1. First-Time Enrollments and Obligations for Work and Training Programs Administered by the Department of Labor, Fiscal Year 1976

[Thousands]

Program	First-time enrollments	Obligations
Total	3,211.9	$6,088,500
Comprehensive Employment and Training Act	2,700.7	4,771,800
Title I	1,240.5	1,527,800
Title II	114.0	965,500
Title III	134.9	231,800
Title IV (Job Corps)	63.4	134,300
Title VI	271.0	1,624,100
Summer youth program	836.9	588,200
Older Americans Act, title IX	6.0	94,800
Work Incentive Program [1]	445.2	230,100

[1] Individuals receiving WIN services.

Table F–2. CETA Activity Under Titles I, II, and VI, Fiscal Year 1976

[Thousands]

Activity	Total	Title I	Title II	Title VI
Total enrollments	3,493.4	1,731.5	285.7	495.2
New enrollments	1,737.6	1,360.9	114.0	271.6
Cumulative enrollment by selected program activity:[1]				
Classroom training	522.4	514.7	1.4	6.3
On-the-job training	146.1	144.7	.4	1.0
Public service employment	722.3	69.7	228.1	414.5
Work experience	527.5	756.3	2.2	73.0
Other activities	109.1	108.5	.3	.1
Current enrollment, as of June 30, 1976	909.7	805.9	94.5	305.9
Current enrollment by selected program activity, June 30, 1976:				
Classroom training	180.0	159.5	.2	.3
On-the-job training	63.9	63.5	.1	.3
Public service employment	298.9	22.7	91.5	173.7
Work experience	315.2	196.3	1.9	37.0
Other activities	26.3	26.0	.2	.1
Total terminations	1,678.7	1,238.2	161.2	289.3
Direct placements	118.5	111.7	1.1	3.7
Indirect placements	291.6	196.3	18.1	44.3
Self-placements	108.5	70.5	5.5	29.5
Other positive terminations	967.7	633.3	94.4	100.0
Nonpositive terminations	543.4	362.5	38.1	111.8

[1] Some enrollees counted in more than one program activity.

Tables F1–F6 Source : Employment and Training Report of the President : Jan. 12, 1977

Table F–3. Federal Obligations for Work and Training Programs Administered by the Department of Labor, by Region, State, and Program, Fiscal Year 1976

[Millions]

Region and State	CETA title I	CETA title II	CETA title III	CETA title IV[1]	CETA title VI	CETA summer	Work Incentive Program
United States	$1,327.9	$665.5	$331.9	$134.3	$1,024.0	$698.2	$285.1
Region I	94.8	53.8	5.3		116.6	94.1	13.5
Connecticut	36.7	14.7	.6		24.2	6.4	3.3
Maine	7.7	6.4	.4		8.1	3.0	1.8
Massachusetts	46.4	21.7	3.4		56.9	18.1	6.3
New Hampshire	4.3	1.8	.1		4.8	1.7	.8
Rhode Island	3.4	3.2	.4		13.3	3.7	.5
Vermont	2.3	2.2	.5		5.4	1.3	1.8
Region II	225.9	97.0	26.5	6.4	264.9	1.2	33.0
New Jersey	56.3	28.4	3.5	2.4	61.8	17.1	7.1
New York	132.7	52.7	19.5	2.5	154.0	47.5	23.0
Puerto Rico	34.5	13.5	3.5	1.5	46.7	13.3	1.9
Virgin Islands	1.4	.4			1.4	.3	.3
Region III	194.0	84.6	30.2	17.2	148.5	32.6	28.1
Delaware	4.2	1.3	1.2	.1	4.6	.1	.6
District of Columbia	18.3	3.3	23.9	2.1	6.6	6.3	2.1
Maryland	23.0	7.3	2.7	2.5	26.7	2.3	6.3
Pennsylvania	73.6	34.4	7.0	4.5	73.0	20.3	13.9
Virginia	28.2	4.3	3.8	3.0	28.3	2.3	2.8
West Virginia	14.7	4.1	1.9	3.0	11.6	1.5	3.3
Region IV	248.5	98.2	28.1	25.9	287.1	85.4	31.6
Alabama	27.0	9.7	2.2	.9	31.2	9.7	1.9
Florida	54.0	21.9	6.0	.5	64.2	18.3	3.7
Georgia	30.9	8.9	2.0	3.9	38.3	12.0	5.4
Kentucky	28.0	4.4	2.0	13.8	14.3	6.0	2.4
Mississippi	19.5	3.3	.4		12.1	2.1	2.4
North Carolina	28.2	13.8	9.9	4.9	53.9	14.5	1.9
South Carolina	21.4	8.2	1.8	.2	26.9	7.3	1.4
Tennessee	39.5	24.0	3.9	2.4	36.2	11.5	2.9
Region V	268.9	128.0	21.9	13.6	248.2	113.7	34.7
Illinois	73.5	18.0	2.8	2.1	59.1	32.6	10.4
Indiana	34.5	10.9	1.6	3.4	45.6	14.1	3.8
Michigan	67.4	38.0	5.2	1.9	120.5	34.9	13.1
Minnesota	26.0	18.7	3.8		27.6	7.4	4.7
Ohio	68.3	34.0	4.1	4.4	72.8	21.1	11.9
Wisconsin	28.2	8.4	4.1	1.8	22.6	4.6	8.8
Region VI	140.0	68.3	28.0	19.5	158.6	54.8	12.4
Arkansas	14.7	12.8	1.2	3.2	14.0	4.0	1.7
Louisiana	28.3	17.4	1.4	.7	30.3	11.3	2.1
New Mexico	6.5	3.9	2.7		8.7	3.6	1.3
Oklahoma	17.6	4.8	7.7	4.4	8.1	4.4	1.1
Texas	73.9	19.4	14.0	9.1	43.5	27.1	6.0
Region VII	66.6	25.5	7.3	6.3	48.5	26.2	5.6
Iowa	14.7	6.1	1.3	.1	6.9	4.4	2.3
Kansas	12.5	5.1	1.9	.1	6.1	4.7	1.0
Missouri	32.3	11.3	2.5	4.4	23.5	13.9	4.7
Nebraska	6.1	4.0	1.6	1.7	6.2	3.2	.7
Region VIII	39.3	21.6	13.0	17.9	29.7	16.1	11.3
Colorado	13.4	8.0	4.3	1.8	8.4	4.8	4.4
Montana	4.3	4.2	2.7	8.2	4.9	2.1	1.2
North Dakota	1.8	1.3	2.0	1.7	4.1	2.2	.7
South Dakota	3.9	1.3	2.9	.1	2.5	2.4	1.1
Utah	8.0	2.7	1.1	6.0	6.7	2.8	3.2
Wyoming	1.9	.1	1.9	.1	1.1	.8	.5
Region IX	188.1	86.1	37.1	10.2	240.8	91.4	24.0
Arizona	18.1	7.9	11.0	3.4	19.0	13.5	2.9
California	140.0	70.7	24.3	5.8	208.1	71.7	20.0
Hawaii	4.4	4.4	.9	1.9	6.6	1.8	1.3
Nevada	4.9	1.6	.9	.1	5.8	3.3	.7
Guam	1.1	1.1			1.1	.9	.3
Trust Territory	.6	.4			1.2	.3	
Region X	36.7	20.6	14.7	17.4	70.9	26.2	13.3
Alaska	3.9	2.1	4.7	.2	4.5	1.3	.6
Idaho	4.2	3.0	1.1	1.5	6.1	2.6	1.0
Oregon	17.4	11.5	3.2	10.4	21.9	8.9	6.3
Washington	11.2	3.6	5.7	5.3	38.0	12.9	5.5

[1] Includes $16.9 million transferred to the Department of Interior and $27.9 million transferred to the Department of Agriculture.

Table F-4. Enrollments Under CETA Title I, by Region, State, and Selected Program Activities, Fiscal Year 1976

Region and State	Total[1]	Classroom training	On-the-job training	Public service employment	Work experience	Other activities
United States	1,731,494	514,062	144,741	63,713	780,277	108,481
Region I	80,150	23,313	7,322	8,744	31,496	11,021
Connecticut	23,461	7,005	1,166	2,106	8,610	4,367
Maine	6,732	1,036	1,610	125	2,064	
Massachusetts	40,960	10,146	2,366	3,700	14,665	7,132
New Hampshire	3,938	1,527	254	62	2,085	112
Rhode Island	4,962	1,401	653	205	2,360	
Vermont	3,779	198	671		1,511	
Region II	290,660	49,484	24,126	9,010	110,183	31,154
New Jersey	68,167	10,350	3,727	699	23,771	2,697
New York	165,141	34,586	14,365	3,267	77,044	26,039
Puerto Rico	55,605	4,398	6,733	4,744	7,709	4,137
Virgin Islands	1,310	407	61		111	281
Region III	167,439	58,930	10,597	5,466	88,236	1,710
Delaware	7,168	1,704	900	316	3,427	
District of Columbia	15,766	7,986	179		9,470	
Maryland	56,081	6,776	894	851	18,455	252
Pennsylvania	75,466	35,430	4,763	4,299	39,749	1,459
Virginia	20,481	11,235	2,409	1,152	12,268	
West Virginia	14,691	2,940	2,961	2,274	6,709	
Region IV	361,393	98,779	19,813	9,376	138,886	15,319
Alabama	28,566	4,825	2,699	780	19,984	130
Florida	68,961	30,247	3,479	2,015	17,586	13,462
Georgia	42,720	9,979	2,385	2,028	24,113	215
Kentucky	51,399	7,782	2,612	976	13,631	99
Mississippi	21,981	8,779	2,430	532	11,090	
North Carolina	38,298	9,399	2,664	879	24,725	2,759
South Carolina	17,044	4,548	1,873	336	7,793	
Tennessee	38,048	11,179	1,580	1,067	19,065	
Region V	440,804	128,205	17,785	10,736	161,627	22,226
Illinois	94,521	29,284	4,843	1,997	34,005	11,864
Indiana	23,511	13,695	1,116	600	14,140	34
Michigan	80,285	23,549	3,183	3,207	43,427	634
Minnesota	34,029	7,909	2,719	1,740	14,770	6,052
Ohio	94,969	22,127	3,514	2,403	30,693	3,580
Wisconsin	63,797	14,641	1,911	1,087	24,597	274
Region VI	188,009	64,160	19,168	4,960	90,840	4,340
Arkansas	18,447	9,994	4,553		4,632	227
Louisiana	97,344	7,127	6,159	1,979	22,087	469
New Mexico	10,270	2,793	1,017		5,987	324
Oklahoma	19,190	8,862	1,969	539	4,629	1,945
Texas	102,979	35,930	9,637	1,974	99,305	1,324
Region VII	84,021	23,787	12,099	3,439	37,513	9,202
Iowa	12,710	4,661	3,038	1,039	3,130	1,302
Kansas	17,402	3,040	1,379	340	8,548	494
Missouri	45,097	9,437	7,040	2,057	19,567	7,409
Nebraska	10,405	3,649	736	375	3,268	98
Region VIII	46,284	14,559	7,097	2,305	13,279	39
Colorado	18,758	4,693	1,805	988	3,815	
Montana	4,610	2,913	623	436	1,127	
North Dakota	5,564	1,354	985	338	4,060	14
South Dakota	4,736	817	1,504		2,111	
Utah	7,140	4,203	1,562	520	1,670	
Wyoming	1,487	579	20	23	611	73
Region IX	215,161	67,127	20,727	7,745	71,854	10,733
Arizona	17,064	5,951	1,770	1,161	8,149	160
California	179,532	57,028	17,864	2,543	60,033	8,444
Hawaii	9,785	2,861	668	1,862	4,383	1,139
Nevada	5,026	1,459	624	671	1,828	294
American Samoa	63	63		4	62	
Guam	585	147	38	99	295	
Trust Territory	510	212	140		151	
Region X	35,840	20,439	6,262	598	26,049	1,967
Alaska	4,272	1,127	467		2,774	12
Idaho	6,957	1,450	886	179	4,197	15
Oregon	10,738	6,910	1,415	331	6,707	59
Washington	29,969	11,942	3,513	389	10,371	1,844

[1] Some enrollees counted in more than one program activity

Table F–5. Enrollments Under CETA Title II, by Region, State, and Selected Program Activities, Fiscal Year 1976

Region and State	Total [1]	Public service employment	Other activities [2]
United States	286,081	200,134	10,581
Region I	32,046	19,343	120
Connecticut	3,222	3,222	
Maine	2,779	2,779	
Massachusetts	13,709	10,042	367
New Hampshire	886	873	14
Rhode Island	3,050	3,050	
Vermont	681	682	139
Region II	68,173	55,381	1,709
New Jersey	11,677	10,089	1,291
New York	37,337	35,838	418
Puerto Rico	6,264	6,264	
Virgin Islands	137	137	
Region III	33,595	31,564	31
Delaware	888	888	
District of Columbia	1,433	1,402	31
Maryland	5,418	5,388	
Pennsylvania	13,548	13,548	
Virginia	3,966	3,442	
West Virginia	1,888	1,888	
Region IV	36,796	33,720	2,089
Alabama	3,772	3,773	
Florida	6,558	6,381	360
Georgia	5,134	5,076	148
Kentucky	3,547	3,547	
Mississippi	1,888	1,888	
North Carolina	4,888	3,764	888
South Carolina	2,878	1,494	777
Tennessee	3,488	3,457	881
Region V	51,488	47,188	2,272
Illinois	6,181	6,170	333
Indiana	7,974	5,721	42
Michigan	16,388	17,088	294
Minnesota	6,134	6,477	1,288
Ohio	6,188	7,421	388
Wisconsin	5,888	6,888	88
Region VI	17,887	15,775	1,085
Arkansas	1,771	1,771	
Louisiana	7,611	6,827	829
New Mexico	1,249	1,249	
Oklahoma	1,888	1,888	
Texas	5,973	4,888	978
Region VII	5,119	2,813	301
Iowa	628	628	
Kansas	342	341	3
Missouri	1,687	1,682	
Nebraska	710	617	299
Region VIII	4,737	4,438	951
Colorado	672	672	
Montana	638	638	
North Dakota	1,517	1,517	
South Dakota	18	18	
Utah	1,522	1,189	331
Wyoming			
Region IX	37,888	36,810	1,281
Arizona	1,253	1,125	128
California	32,747	31,727	1,130
Hawaii	2,394	2,394	
Nevada	744	744	
American Samoa	128	128	
Guam	289	289	
Trust Territory	633	633	
Region X	12,921	11,842	1,165
Alaska	1,088	943	726
Idaho	859	859	
Oregon	2,742	2,687	121
Washington	7,888	7,888	319

[1] Some enrollees counted in more than one program activity.

[2] Includes classroom training, on-the-job training, work experience, and other activities.

Table F–6. Enrollments Under CETA Title VI, by Region, State, and Selected Program Activities, Fiscal Year 1976

Region and State	Total [1]	Public service employment	Other activities [2]
United States	496,197	413,615	80,408
Region I	24,101	23,709	4,367
Connecticut	5,988	5,654	330
Maine	1,577	954	2,623
Massachusetts	13,413	13,340	4,843
New Hampshire	1,920	1,389	31
Rhode Island	3,681	3,681	
Vermont	1,944	1,943	881
Region II	74,011	69,189	5,005
New Jersey	16,651	17,152	1,625
New York	37,565	34,329	3,380
Puerto Rico	17,476	17,476	
Virgin Islands	340	340	
Region III	47,745	44,173	2,904
Delaware	1,115	1,115	
District of Columbia	1,379	1,379	
Maryland	5,748	5,254	495
Pennsylvania	28,880	25,580	3,300
Virginia	8,128	8,128	313
West Virginia	3,962	3,963	
Region IV	92,351	63,426	28,948
Alabama	7,373	7,161	113
Florida	23,444	17,950	4,349
Georgia	13,227	11,077	2,186
Kentucky	6,485	6,485	
Mississippi	6,983	1,465	5,570
North Carolina	17,170	5,988	10,621
South Carolina	8,089	7,893	196
Tennessee	9,780	9,781	188
Region V	97,224	83,181	9,241
Illinois	7,220	13,484	809
Indiana	14,294	13,150	970
Michigan	28,562	26,614	1,814
Minnesota	8,688	5,813	2,875
Ohio	16,294	14,958	1,132
Wisconsin	7,166	6,367	899
Region VI	48,708	35,530	4,127
Arkansas	5,285	5,256	
Louisiana	13,911	11,307	1,051
New Mexico	3,709	2,709	
Oklahoma	3,776	3,529	227
Texas	16,027	12,979	4,830
Region VII	18,240	12,940	3,980
Iowa	7,096	826	2,242
Kansas	3,344	3,344	
Missouri	8,015	6,356	276
Nebraska	3,272	1,306	1,675
Region VIII	9,899	9,883	139
Colorado	2,940	2,810	159
Montana	2,527	2,522	
North Dakota	1,964	1,964	
South Dakota	511	511	
Utah	2,217	2,217	
Wyoming	536	536	
Region IX	61,980	36,511	11,435
Arizona	5,265	5,062	229
California	50,620	45,084	10,609
Hawaii	2,557	2,360	205
Nevada	3,016	1,966	170
American Samoa	174	174	
Guam	447	447	
Trust Territory	881	882	9
Region X	22,129	20,059	2,865
Alaska	2,294	1,132	2,031
Idaho	3,081	3,081	
Oregon	6,901	6,221	285
Washington	9,942	9,625	179

[1] Some enrollees counted in more than one program activity.

[2] Includes classroom training, on-the-job training, work experience, and other activities.

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Veterans Provison

Section 4 of H.R. 2992 as reported from Committee contains an amendment, authored by Senator Cranston, which directs the Secretary of Labor to take appropriate steps to provide increased job training and public service employment opportunities for certain categories of veterans. These categories are defined in the provision a: (1) disabled veterans who have a service-connected disability rating of 30 percent or more; and (2) Vietnam-era veterans who served for more than 180 days during the Vietnam-era (receiving other than a dishonorable discharge) and who are under 27 years of age.

On January 27, following his swearing-in, Secretary of Labor Marshall announced the Administration's commitment to make the plight of the jobless disabled and Vietnam-era veterans a high priority. At that time, the Administration unveiled a three-part program designed to help bring these veterans back into the mainstream of America's economic life.

Just as when this program was announced in January, the harsh and tragic unemployment statistics for this group of veterans continue to require urgent attention to bring about a major improvement in the employment situation for young Vietnam-era and disabled veterans.

During March, the Bureau of Labor Statistics reports that there were 441,000 unemployed veterans 20 through 34 years of age. The rate of unemployment for younger Vietnam-era veterans, those aged 20 through 24, was 17.1 percent—or 182,000 individuals out of work—as compared to a rate of 10.4 percent for similarly aged non-veterans. This is one full percentage point above the rate for such veterans for the preceeding March. The Committee notes that this category has the highest unemployment rate out of all other categories, except for those under age 20, for which monthly statistics are gathered—a situation which has existed for well over a year. In addition, for four out of the last six quarters, the rates for Vietnam-era veterans aged 25 through 29 have exceeded those for similarly aged non-veterans.

Among minority Vietnam-era veterans aged 20 through 34, the unemployment data is even more distressing. For the first quarter of 1977, in every age category, the unemployment rate among minority veterans exceeded rates at the end of the fourth quarter of 1976. The quarterly unemployment rate among these veterans was 15.7 percent, or 12 percent greater than the rate for these veterans for the preceding quarter. In each of the three age categories, the rates for minority veterans for the first quarter of 1977 exceeded the rate for similarly aged non-veterans. Among young minority veterans aged 20 through 24, the unemployment rate was greater than 25 percent—15 percent greater than for similarly aged non-veterans.

On April 20, in testimony before the Subcommittee on Employment, Poverty, and Migratory Labor, and in responses to questions regarding the Department's progress in implementing the Administration's commitment announced in January, Secretary Marshall and Assistant Secretary of Labor for Employment and Training Green provided the following information:

1. The President proposed a program called Project HIRE (Help through Industry Retraining and Employment program) to enlist

the Nation's larger corporations to make private-sector job opportunities and training opportunities available to Vietnam-era veterans. On January 27, Secretary Marshall indicated that "The delivery systems are in place . . . [and] the funds are available". He state that "With a minimum of delay coupled with a maximum of short-term effort, we can move swiftly to help many jobless veterans gain worthwhile employment." However, nearly three and a half months later, the effort is still not completely off the planning board.

The Administration testified that the implementation of Project HIRE—which would create 92,000 jobs for veterans—has been delayed because the necessary appropriation of $120.0 million contained in the Economic Stimulus Appropriation Act of 1972, has not been approved. The Committee expects that since funds are now available, this program will be implemented speedily.

2. The President's program also includes the Disabled Veterans Outreach Program whereby outreach units, staffed by disabled Vietnam-era veterans, would be established within employment service offices around the country. These temporary paraprofessionals are to concentrate on identifying disabled veterans in need of services and bringing them into the mainstream of the labor market through jobs, job training, and related services to which they are entitled. This program is to provide 2,000 jobs for disabled veterans outreach workers, and over the 18 month life of the program, is expected to place over 40,000 other disabled veterans.

The Department of Labor indicated that as of April 20, approximately 600 of these disabled veteran outreach workers were on the job.

3. The President proposed the provision of increased opportunities for these disabled and young Vietnam-era veterans in public services jobs under the Comprehensive Employment and Training Act of 1973, as amended (CETA). The enactment of the Economic Stimulus Appropriation Act (Public Law 95–29) provides funds for an additional 415,000 public service jobs (PSE) under CETA through fiscal year 1978. The President's proposed legislation for a one-year extension of CETA included a provision to require that in employing individuals to fill these new PSE jobs a preference be given to certain qualified unemployed disabled and young Vietnam-era veterans, with a proposed national goal that 35 percent of all new CETA PSE hires be these veterans. The House rejected the preference concept in its consideration of this legislation.

During the hearings on this extension legislation, Secretary Marshall and Assistant Secretary Green stated, in response to a question, that legislation was definitely necessary in order for the Department to achieve its national goal for the employment of these priority categories of veterans. Therefore, the provision in section 4 of the Committee bill has been worked by the Committee out in close cooperation with the Administration as a substitute for the Administration's preference proposal.

The Committee provision does not provide a statutory preference about which many reservations have been expressed. Instead, the alternative language set forth in section 4 is designed to provide ample latitude and flexibpility—without hamstringing prime sponsors or others involved in the delivery of job and job training opportunities—

while at the same time giving the Secretary a clear mandate to serve the needs of these especially hard-hit groups of unemployed veterans.

The Committee provision specifies many of the steps which the Secretary shall take in serving the employment needs of these veterans, but this list is by no means to be considered exclusive. Whatever means the Secretary deems appropriate and consistent with applicable law are to be implemented. Among the specific steps is providing for individual prime sponsors to develop their own local goals, taking into account the number of eligible veterans in the area served by the prime sponsors, for the placement of such eligible veterans in job vacancies occurring in PSE programs. The Secretary is also directed to insure full utilization of the provisions of clauses (2) and (5) of section 205(c) of the Act (relating to providing jobs for significant segments of the population and providing special consideration in filling jobs to special Vietnam-era veterans) and the provisions of subclause (E) of section 105(a)(3) of the Act, requiring prime sponsors to make maximum feasible use of apprenticeship and other on-job training (OJT) opportunities available under section 1787 of title 38, United States Code.

The need for these provisions arises from the bleak performance record of many prime sponsors in providing PSE jobs for veterans under CETA.

In connection with the OJT provision, the Committee notes that this requirement was enacted last year as part of the Emergency Jobs Programs Extension Act of 1977 (Public Law 94–444), and stresses the need for the Secretary to monitor closely the comprehensive plans submitted by each prime sponsor to ensure that Congressional intent is served and that prime sponsors are fully aware of and responsive to the increased job opportunities available from this important source.

As stressed by this Committee in its report to accompany H.R. 12987, the Emergency Jobs Program Extension Act of 1976 (S. Rept. No. 94–883), the promotion by both the Department of Labor and prime sponsors of the VA apprenticeship or OJT opportunities would be beneficial to and productive for both eligible veterans and prime sponsors. Under the VA OJT program, an approved employer promises a permanent job to an eligible veteran upon successful completion of the OJT program. During the training program, the employer pays the veteran less than the full regular wage, while the VA supplements this with a training allowance paid directly to the veteran, beginning at $212 a month for a veteran with no dependents. The amount of the VA OJT benefit is contingent upon the number of the veteran's dependents and the length of time the veteran has been in training.

Despite Congressional emphasis on the importance of effective OJT program coordination between the VA and the Department of Labor, the failure of these agencies to coordinate their efforts has continued. For example, in 1975 the General Accounting Office reported that of 153,765 VA-approved job training establishments, over 108,000 had no trainees enrolled whatsoever. Recently, when GAO inspected a large Midwestern city, it discovered that local employment service offices still had not been provided with the necessary data—data which is readily available—to direct eligible veterans to VA OJT program openings.

The Committee, once again, emphasizes the need for utilization of OJT as an important program for battling continued high veteran unemployment.

Under CETA titles I, II, and VI, and regulations prescribed thereunder, prime sponsors are required to provide special consideration to certain veterans, specifically service-connected disabled veterans (rated at 30 percent or greater), veterans who served in Indochina or Korea, and all recently discharged veterans (within 48 months of discharge). Yet, despite repeated Congressional expressions of dissatisfaction with the level of veterans participation, veteran enrollment in CETA programs has continued at unfavorable levels. This is especially the case in PSE programs in comparison to the rates of participation achieved under the Emergency Employment Act of 1971 when specific hiring goals for veterans were established by the Department in its regulations.

In fiscal year 1976, despite very high rates of veteran unemployment, special Vietnam-era veterans comprised only 5.3 percent of all CETA titles I, II, and VI enrollees, a 23 percent decline from the fiscal year 1975 level of 6.9 percent—a figure cited as low by this Committee in its report to accompany H.R. 12987, the Emergency Jobs Programs Extension Act of 1976 (S. Rept. No. 94–883).

During fiscal year 1976 special veteran enrollment in PSE jobs under title II declined by 11 percent, and under title VI by 30 percent. The Committee is concerned that, despite the requirements of the law and regulations, only 10,425 disabled veterans were served by CETA titles I, II, and VI during fiscal year 1976 while unemployment rates for this category remained so tragically high.

The reason for this situation is suggested in several General Accounting Office reports concerning the CETA PSE programs. In a January 23, 1976, report (No. MWD–76–61), the GAO found that the existing CETA hiring procedures of Wilmington, Delaware, did little to give veterans the required special consideration. In a September 2, 1976, report entitled "Public Service Employment in Southwestern New York State" (No. HRD–76–135), GAO reported that "our examination of the filling of title II and VI public service positions showed no evidence of a system to insure that target groups specified in the Act receive special consideration. For example, an underemployed non-veteran who recently graduated from college was selected over an eligible veteran who had been unemployed for about 1 year and three other eligible applicants who had been unemployed for 12 weeks or more. Our examination of the files and discussions with hiring officials showed that the ability to best perform the job was the overriding criteria [sic] for selection once residency and unemployment criteria were met."

And, finally, in a April 7, 1977 Report to the Congress, entitled "More Benefits To Jobless Can Be Attained In Public Service Employment" (No. HRD–77–53), GAO reported: "The sponsors generally served most segments at and above the levels established in their plans for both titles II and VI during fiscal year 1975. However, some segments, such as special veterans, limited English-speaking persons, and females, were not served at the levels planned. For example, the special veterans, a segment identified by sponsors and specifically cited in

CETA for special consideration in obtaining public service employment, were not served as planned by 5 of the 12 sponsors. . . ."

Under the provisions of section 4(a) of the Committee bill, the Secretary is also directed to make a renewed effort to fulfill more effectively his responsibilities under other provisions of law.

Notably, under chapter 41 of title 38, United States Code, the Secretary is mandated to establish administrative controls to insure that each eligible veteran *who requests assistance at any United States Employment Service* (USES) office is promptly placed in a satisfactory job or job training opportunity or receives some other form of assistance designed to enhance such veteran's employment prospects substantially.

Despite this legislative mandate, USES' record in providing services has been poor. Between the end of fiscal year 1975 and October 1, 1976, the Department's Employment Automated Reporting System (ESARS) data indicate a steep decline in services for veterans. For example, the percentage of qualified service-connected disabled veterans applying at State Employment Offices whose files were inactivated without having received any reportable service rose from 29.7 percent to 33.8 percent, an increase of 12.1 percent; the percentage counselled declined from 11.1 percent to 10.4 percent—a decrease of 6.3 percent; enrollment in training declined from 1.4 percent to 1.0 percent—a drop of 28.6 percent; and the number tested declined from 3.0 percent to 2.75 percent—an overall decrease of 8 percent.

These ESARS data also showed a decline in employment services for Vietnam-era veterans. The percentage of Vietnam-era veterans applying for assistance whose files were inactivated without having received any reportable service rose from 30.9 percent to 34.1 percent, an increase of 10.3 percent; their enrollment in training fell from 1.5 percent to 1.0 percent—a drop of 33.3 percent; their enrollment in CETA fell from .8 percent to .6 percent—a decrease of 25 percent; and the number of Vietnam-era veterans who were tested declined from 3.4 percent to 3.2 percent—a decline of 5.9 percent.

The Committee emphasizes the need for the effective implementation of Section 602 of Public Law 94–502, the Veterans' Education and Employment Assistance Act of 1976. That provision amending section 2003 of title 38, U.S.C., clarifies and makes specific the responsibility of the State Veterans' Employment Representative (SVER) and the Assistant Veterans' Employment Representative (AVER) for the promotion and monitoring of veterans' participation in programs operating under CETA to assure that eligible veterans receive special consideration or other opportunities when required. The Committee stresses that SVERs and AVERs should devote sufficient time monitoring prime sponsors' programs to ascertain compliance by prime sponsors with both veteran special consideration requirements and grant narrative assurances regarding veterans.

Prior to enactment of P.L. 94–502, no official within the Department of Labor was specifically responsible for overseeing and monitoring these special consideration mandates. The importance of such monitoring by SVERs and AVERs (who are Federal employees) is underscored by findings by the General Accounting Office in its Feb-

ruary 16, 1977, report to Congress, entitled "Followup Report on Services to Veterans under title VI of the Comprehensive Employment and Training Act" (No. HRD-77-16), a followup report to GAO Report No. MWD-76-61 (see above). In the recent report, GAO found that although the prime sponsor for Wilmington, Delaware, had not been providing eligible veterans with the required special consideration, the responsible SVER had not been monitoring the implementation of the title VI program but rather was "merely impressing upon program officials the need for special service to veterans." This failure of the appropriate Federal government official to monitor CETA program implementation insofar as eligible veterans are concerned should be corrected by vigorous implementation of the section 602, amendments to title 38 so as to assure that SVERs and AVERs not only promote eligible veteran participation in CETA programs but also monitor the implementation and operation of the programs to assure that eligible veterans receive the required special consideration.

Further, section 2004 of title 38 requires, except as may be determined otherwise by the Secretary, that each employment service office shall have at least one employee—known as the Local Veterans Employment Representative (LVER)—whose service shall be fully devoted to discharging the veteran job counselling, training, and placement services mandated by chapter 41. Studies have shown that the most effective employment service officers insofar as unemployed veterans are concerned are those where the LVER devotes all of his or her time—as generally required by law—to discharging chapter 41 responsibilities. However, according to recent reports, many LVERs do not devote the required time to performing chapter 41 responsibilities and, as a result, service to unemployed veterans generally suffers.

To correct this situation, the Committee expects the Secretary to undertake vigorous efforts to assure that, where required, local offices will have a full-time LVER. The Committee also expects the Secretary to assure that in those local offices where the LVER is not required to devote full-time to performing chapter 41 responsibilities that the LVER will devote sufficient time to assure that all affected veterans receive some form of assistance designed to increase their employability.

Congressional oversight of the mandatory job-listing requirement in section 2012 of title 38, U.S.C. has revealed that the Department of Labor has not required compliance with this provision with the vigor necessary to assure the success of the program. Section 2012 requires every Federal contractor and subcontractor thereof with a contract of $10,000 or more to list all "suitable employment openings" with the employment office. During the 48-hour period immediately following the listing of an employment opening pursuant to section 2012, only eligible veterans may be referred to the listing company for the involved position. (There is no requirement that the company hire the referred veteran, but the 48-hour hold provides the veteran with a headstart over non-veteran job-seekers.)

The *Wall Street Journal* in a May 11, 1976 article described this program as laxly enforced. And, indeed, final Department of Labor fiscal year 1976 figures seem to indicate the validity of the Journal's

assertion. The total number of positions listed in 1976 was 985,000, the exact number of positions listed in fiscal year 1974. Further, the *Wall Street Journal* reported that the "Labor Department estimates that only 'between one-third and one-half' of all employers are complying with the rule; it can't be more specific since it isn't even sure how many Federal contractors the rule affects." The Committee expects the Secretary to undertake vigorous efforts to determine how many contractors are covered and, further, to assure that all covered contractors are in compliance with the mandatory job-listing requirements.

Section 2012 of title 38 also requires each such Federal contractor and subcontractor to take affirmative action to employ and advance in employment qualified disabled veterans and veterans of the Vietnam era. Mandated in 1974, implementing regulations did not take effect until July, 1976, more than eighteen months after passage. This affirmative action program also requires far greater attention and greater implementation by the Administration. The Committee provision stresses this need.

With respect to clause (5) of section 4(a), which requires the temporary appointment of representatives of veterans organizations or groups to local and state manpower planning councils established under CETA and to the National Commission on Manpower Policy, this provision differs from a provision in the Senate-passed legislation in 1973 (S. 1559), eventually enacted as CETA, which would have required such permanent representation. It is felt that such representation, on a temporary basis now, will increase the prime sponsors' responsiveness to the President's program and enable them to serve more fully the needs of veterans.

The Committee provision also stresses the Secretary's responsibilities (in conjunction with the VA Administrator and the Secretary of HEW) under section 104(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (Public Law 93–567), as reaffirmed last year in Public Law 94–444, to conduct an outreach and public information program to promote maximum employment and training opportunities for veterans. In the past, this program has suffered from Administration apathy, lack of adequate funding, and low visibility. The Department's initial progress report on the initiative tended to emphasize future plans rather than efforts undertaken successfully. The Secretary is required, in section 4(a)(2) of the Committee bill to implement fully his responsibilities under this program. The need for this provision is further highlighted by the fact that a second progress report on this program, required to be submitted to the Congress within ninety days after the enactment of Public Law 94–444, is now almost five months late.

In fulfilling his responsibilities under section 4, the Secretary is directed to work closely in consultation with the Deputy Assistant Secretary for Veterans' Employment and the Administrator of Veterans' Affairs. The Committee expects the Secretary to act promptly to secure adequate funding and staff to carry out fully and effectively his responsibilities under section 4. To this end, the Secretary is directed to report to the Congress and the President within 60 days of enactment on the funding and staff made available for these purposes.

Special Consideration in Filling Teaching Positions

The Committee bill includes provisions amending titles II and VI of CETA to provide that, in filling teaching positions in elementary and secondary schools under those titles, prime sponsors shall give special consideration to unemployed persons with previous teaching experience who are certified by the State and who are otherwise eligible under the provisions of the title.

This amendment is designed to assure that qualified and experienced unemployed teachers fill positions for which their qualifications are needed, rather than other unemployed persons who may not be as qualified. This provision is not intended as a priority for teachers to fill positions not requiring such qualifications.

Local Educational Agencies

During the hearings, testimony was received urging that prime sponsors should make substantially greater use of local educational agencies as employing agencies to provide work for unemployed individuals, both with respect to educational and non-educational jobs in the school systems. The 1976 Amendments specifically included local educational agencies in the definition of project applicants, for the purpose of carrying out public service employment projects. In view of the fact that the Economic Stimulus Appropriations Act of 1977 has just been enacted, the Committee will in its oversight function carefully review the extent to which prime sponsors accept project applications from local educational agencies in the coming year.

Votes in Committee

H.R. 2992, as amended, was reported favorably by the Committee by a unanimous voice vote.

Committee Cost Estimate

Pursuant to the requirement of section 252(a) of the Legislative Reorganization Act of 1970, the Committee makes the following statement as to the budgetary impact of the bill:

For CETA activities in the current fiscal year (FY 1977), budget authority of $12.737 billion has been appropriated, and estimated outlays are expected to total $6.605 billion. Most of the remaining budget authority has been provided by the Congress with the explicit intent of forward-funding public service employment programs under Titles II and VI of the Act for fiscal year 1978.

The Committee believes that the authorizations contained in H.R. 2992, as amended, should be utilized to provide forward-funding of Titles II and VI for fiscal year 1979. We note that the First Concurrent Budget Resolution for fiscal year 1979, as agreed to in conference, contemplates such forward-funding and assumes $3.8 billion of budget authority for this purpose. We assume that the Congress will utilize this budget authority to insure that one-year employment projects, initiated during fiscal year 1978 with funds provided in the

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Economic Stimulus Appropriations Act (P.L. 95–29), will be carried to completion in fiscal year 1979 and not abruptly terminated on September 30, 1978.

The Committee wishes to emphasize, however, that the $3.8 billion target in the conference report on the First Budget Resoltuion should not be regarded as the full amount that will be required for public service employment in fiscal 1979. Limiting the full year's funds to that level would require a drastic reduction in public service employment from the expected level of 725,000 positions during fiscal 1978 to a level below the current level of 310,000 positions by the end of fiscal 1979.

The Committee continues to believe that economic conditions, particularly the chronic and persistent joblessness among the structurally unemployed, will require a public service employment program that is substantially larger than 310,000 positions for several years into the future. The optimum size of the program will emerge in the months ahead as conditions in the labor market change and as the program expands with the funds provided in the Economic Stimulus Appropriations Act. The budget ceilings in the Second Concurrent Resolution on the Budget for fiscal 1978 may then be adjusted accordingly, or additional budget authority may be targeted for fiscal 1979 in the First Concurrent Resolution on the Budget for that fiscal year.

For activities under CETA other than public service employment, a minimum of $4.294 billion of budget authority will be required in fiscal 1978 to prevent a reduction in the current level of services. This amount includes funds to carry forward the new youth employment and training, skill development, apprenticeship, and other programs being initiated with funds provided in the Economic Stimulus Appropriations Act.

As to actual outlays from budget authority to be appropriated pursuant to H.R. 2992, as amended, we note that the Congressional Budget Office has projected a figure of $8.286 billion for fiscal 1978. The Committee is fully aware of outlay re-estimates recently compiled jointly by the Administration and the Committees on the Budget. We have no reason to question the new estimates for fiscal 1978 CETA activities and therefore accede to the CBO projections for the new fiscal year.

For fiscal 1979, however, the Committee believes that projected outlays should include the funds that will be appropriated in fiscal 1978 under authority of this legislation for forward-funding public service employment programs. The Committee believes that this amount should be, at a minimum, $4.3 billion. For other CETA activities in fiscal 1979, outlays from 1978 budget authority authorized by this legislation can be expected to conform to the CBO estimate of $1.859 billion. Total outlays in fiscal 1979 resulting from this legislation, therefore, are estimated to be approximately $6.2 billion. The Committee anticipates that additional outlays will occur in fiscal 1979 as a result of other legislation and additional appropriations to be made that will be enacted in the months ahead.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, D.C., May 16, 1977.

Hon. HARRISON A. WILLIAMS, Jr.,
Chairman, Committee on Human Resources,
Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 2992, a bill to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act (CETA) of 1973 as amended.

Should the Committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

JAMES BLUM,
(For Alice M. Rivlin, Director).

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: H.R. 2992 (Senate version).

2. Bill Title and purpose: This bill is designed to authorize appropriations for fiscal year 1978 for carrying out the Comprehensive Employment and Training Act (CETA) of 1973 as amended. The major CETA titles included in this reauthorization are:

Title I: Creates a program of comprehensive manpower services operated by local prime sponsors;

Title II: Authorizes public service employment programs to alleviate structural unemployment in areas with 6.5 percent unemployment or higher;

Title III: Provides for national programs for Indians, migrants, offenders and youth;

Title IV: Creates the Job Corps, a training program for low-income disadvantaged youth;

Title V: Provides for a National Commission for Manpower Policy;

Title VI: Provides public service employment for unemployed and underemployed persons, and, under amendments made by the Emergency Jobs Program Extension Act of 1976, targets one out of every two vacancies and all new jobs above the current level to be filled by long-term unemployed persons from low income families and AFDC recipients.

In addition, the Senate version of the CETA reauthorization waives the limitation on funds for Titles III and IV of CETA through fiscal year 1978, mandates the Secretary of Labor to facilitate increased participation of disabled and Vietnam era veterans in public service employment and job training activities, and gives special consideration to unemployment teachers, when a teaching (or teacher's aide) vacancy occurs in a public service job.

The funding for this legislation is subject to appropriations action.

3. Cost estimate: ($ in millions)

	Fiscal year 1978	Fiscal year 1979
Authorization levels:		
Titles I and III–V	4,294	
Titles II and VI[1]	----	
Total	4,294	
Projected total outlays:		
Titles I and III–V	2,435	1,859
Titles II and VI	5,851	393
Total	8,286	2,252

[1] Appropriated in H.R. 4876, the Economic Stimulus Appropriation Act of 1977.

4. Basis for estimate: Since this one-year extension of CETA does not provide specific authorization amounts; CBO has estimated authorization levels based on the Economic Stimulus Appropriations Act and CBO current policy estimates. Since Titles II and VI of CETA were advance-funded in the Economic Stimulus Appropriations Act of 1977 for fiscal year 1978, CBO has estimated the outlays for these two titles consistent with the appropriations levels provided for in H.R. 4876. For Titles I and III–V, the authorization level reflects CBO current policy projections of these programs.

5. Estimate comparison: Not applicable.

6. Previous CBO estimate: An estimate of the House version of H.R. 2992 was prepared by CBO and transmitted to the House Committee on Education and Labor on March 23, 1977.

7. Estimate prepared by: Robert F. Black (225–7766).

8. Estimate approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.

REGULATORY IMPACT STATEMENT FOR H.R. 2992—CETA EXTENSION

Pursuant to paragraph 5(a) of Senate Rule XXIX th Committee makes the following statement with respect to H.R. 2992, CETA extension legislation.

H.R. 2992 is essentially an extension of existing authority in the Comprehensive Employment and Training Act (CETA). There would therefore be no additional economic impact on individuals, consumers, businesses, or prime sponsors. This bill does, however, also create special veterans provisions requiring the Secretary of Labor to take appropriate steps to provide for increased participation in public service employment and job opportunities supported under CETA for certain disabled and Vietnam-era veterans.

It is anticipated that this new provision will not create any significant new regulatory or paperwork burden since CETA prime sponsors currently are required to describe in their grant applications significant segments of the population which they plan to serve. Some prime sponsors, however, will have to submit modifications of their comprehensive manpower plans to describe the goals and plans for implementing strategies to increase veterans participation.

Since this bill creates a new category of veterans for purposes of CETA (Vietnam era under 27), there will be an additional minor paperwork burden on prime sponsors in identifying and monitoring treatment of these veterans.

The remaining veterans provisions in section 4 of the bill would not impose significant new burdens since they reaffirm existing provisions of law.

The provision in section 5 of the bill requiring special consideration for former teachers in filling teaching positions funded by title II or title VI will impose a minor new recordkeeping burden on prime sponsors. In addition, this provision will require modification of title II and title VI grants.

Section-by-Section Analysis

Section 1. Short title

This section provides that this legislation may be cited as the "Comprehensive Employment and Training Act Amendments of 1977".

Section 2. Authorization for fiscal year 1978

This section extends the authorization for the Comprehensive Employment and Training Act for one additional year, through September 30, 1978.

Section 3. Waiver of limitation on funds for titles III and IV

This section provides that section 4(e) of the CETA shall be deemed ineffective with respect to fiscal years 1977 and 1978.

Section 4. Special veterans provisions

This section provides that, with respect to programs carried out with funds appropriated after January 1, 1977, for fiscal years 1977 and 1978, under CETA, the Secretary of Labor shall take appropriate steps to provide for the increased participation in public service employment programs and job training opportunities of qualified disabled veterans and Vietnam-era veterans under twenty-seven years of age. The Secretary shall make necessary funds and personnel available to carry out his responsibilities and report thereon to the Congress within sixty days of enactment. The Secretary shall carry out his responsibilities in consultation with the Deputy Assistant Secretary for Veterans Affairs, and shall also consult with and solicit the cooperation of the Administrator of Administration.

Section 5. Special consideration

This section amends titles II and VI of CETA to provide that, in filling teaching positions in elementary and secondary schools, each prime sponsor shall give special consideration to unemployed persons with previous teaching experience who are certified by the State and who are otherwise eligible under the provisions of each such title.

Changes in Existing Law

In compliance with paragraph 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT OF 1973, AS AMENDED

AN ACT To assure opportunities for employment and training to unemployed and underemployed persons.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Comprehensive Employment and Training Act of 1973".

STATEMENT OF PURPOSE

Sec. 2. It is the purpose of this Act to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible and decentralized system of Federal, State, and local programs.

TRANSITIONAL PROVISIONS

Sec. 3. (a) To the extent necessary to provide for the orderly transition of supporting job training programs, and to provide continued financial assistance for such programs, prior to July 1, 1974, the Secretary is authorized to provide financial assistance in the same manner and on the same conditions as provided in the Manpower Development and Training Act of 1962, as in effect prior to June 30, 1973, title I of the Economic Opportunity Act of 1964, and the Emergency Employment Act of 1971, as in effect prior to June 30, 1973, from funds appropriated pursuant to this Act.

(b) The authority contained in this section shall not be construed to postpone or impede the prompt designation of prime sponsors and the implementation of other provisions of this Act.

(c) Notwithstanding any other provision of this Act other than the provisions of section 4(d)(1), the Secretary is authorized from appropriations available under this Act for fiscal year 1974 to provide financial assistance for the program described in section 304(a)(3) during the period June 1, 1974, through October 1, 1974, in the same manner and on the same conditions as provided pursuant to the Manpower Development and Training Act of 1962, as in effect prior to June 30, 1973, and title I of the Economic Opportunity Act of 1964, as in effect prior to repeal by this Act.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. (a) There are authorized to be appropriated such sums as may be necessary for the fiscal year ending June 30, 1974, and for each of the [three] *four* succeeding fiscal years for carrying out the provisions of this Act.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds appropriated to carry out this Act which are not obligated prior to the end of the fiscal year for which such funds were appropriated shall remain available for obligation during the succeeding fiscal year, and any funds obligated in any fiscal year may be expended during a period of two years from the date of obligation.

(c) (1) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(2) In order to effect a transition to the advance funding method of timing appropriation action, the provisions of this subsection shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

(d) (1) Of the amounts appropriated to carry out this Act, the Secretary shall reserve and make available not less than $250,000,000 in the fiscal year ending June 30, 1974, and not less than $350,000,000 in the fiscal year ending June 30, 1975, to carry out public service employment programs under title II.

(2) In addition to the amounts reserved under paragraph (1) of this subsection, there are authorized to be appropriated and made available for the fiscal years ending June 30, 1974, and June 30, 1975, such sums as may be necessary to carry out public service employment programs under title II. There are authorized to be appropriated and made available for the fiscal year ending June 30, 1976, and for the succeeding fiscal year such sums as may be necessary to carry out public service employment programs under title II.

(e) Of the amount appropriated to carry out this Act for any fiscal year, not more than 20 percent of such amount (excluding any amount in excess of $250,000,000 of the amount made available for carrying out title II) shall be available for carrying out the provisions of title III and title IV.

TITLE I—COMPREHENSIVE MANPOWER SERVICES

DESCRIPTION OF PROGRAM

SEC. 101. It is the purpose of this title to establish a program to provide comprehensive manpower services throughout the Nation. Such program shall include the development and creation of job opportunities and the training, education, and other services needed to enable individuals to secure and retain employment at their maximum capacity. Comprehensive manpower services may include, but shall not be limited to, programs and activities designed to carry out the purpose of this title, such as—

(1) outreach to make persons aware of the availability of manpower services and persuade them to use such services,

(2) assessment of the individual's needs, interests, and potential in the labor market and referral to appropriate employment, training, or other opportunities,

(3) orientation, counseling, education, and institutional skill training to prepare the individual to enter the labor market or to qualify for more productive job opportunities,

(4) training on the job,

(5) payments or other inducements to public or private employers to expand job opportunities, but payments to employers organized for profit shall not exceed the difference berween the costs of recruiting, training, and providing supportive services for low-income persons and those regularly employed,

(6) services to individuals to enable them to retain employment,

(7) payment of allowances to persons in training for which they receive no remuneration and payment of such allowances for transportation, subsistence, or other expenses incurred in participating in manpower services or employment as are necessary to enable the individual to participate therein,

(8) supportive services to enable individuals to take advantage of employment opportunities, including necessary health care and medical services, child care, residential support, assistance in securing bonds, or any other necessary assistance incident to employment, and any other service needed to participate in employment or manpower services,

(9) development of information concerning the labor market and activities, such as job restructuring, to make it more responsive to objectives of the manpower services program.

(10) manpower training, employment opportunities, and related services conducted by community-based organizations,

(11) transitional public service employment programs, and

(12) any programs authorized by part A of title III and by title IV of this Act.

PRIME SPONSOR

SEC. 102. (a) The Secretary may make financial assistance available to a prime sponsor to enable it to carry out all or a substantial part of a comprehensive manpower program. A prime sponsor shall be—

(1) a State;

(2) a unit of general local government which has a population of one hundred thousand or more persons on the basis of the most satisfactory current data available to the Secretary;

(3) any combination of units of general local government which includes any unit of general local government qualifying under paragraph (2) of this subsection;

(4) any unit of general local government or any combination of such units, without regard to population, which, in exceptional circumstances, is determined by the Secretary of Labor—

(A)(i) to serve a substantial portion of a functioning labor market area, or (ii) to be a rural area having a high level of unemployment; and

(B) to have demonstrated (i) that it has the capability for adequately carrying out programs under this Act, and (ii)

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that there is a special need for services within the area to be served, and (iii) that it will carry out such programs and services in such area as effectively as the State; or

(5) a limited number of existing concentrated employment program grantees serving rural areas having a high level of unemployment which the Secretary determines have demonstrated special capabilities for carrying out programs in such areas and are designated by him for that purpose.

(b)(1) A State shall not qualify as a prime sponsor for any geographical area within the jurisdiction of any prime sponsor described in paragraph (2), (3), (4), or (5) of subsection (a) unless such prime sponsor has not submitted an approvable comprehensive manpower plan for such area.

(2) A unit of general local government shall not qualify as a prime sponsor with respect to any area within the jurisdiction of another eligible unit of general local government unless such smaller unit has not submitted an approvable comprehensive manpower plan for such area.

(c)(1) To be eligible for prime sponsorship for any fiscal year, an otherwise eligible applicant must submit to the Secretary a notice of intent to apply for prime sponsorship by such date as the Secretary shall prescribe.

(2) The Secretary may not, prior to March 1, 1974, designate as a prime sponsor, any State or unit of general local government containing another unit of general local government meeting the requirements of subsection (a)(2) of this section unless such smaller unit has submitted to the Secretary written consent for such designation.

ALLOCATION OF FUNDS

SEC. 103. (a)(1) Eighty percent of the amount available for this title in any fiscal year shall be allotted in accordance with the provisions of this subsection.

(2) Subject to the provisions of paragraph (4)—

(A) 50 percent of the amount allotted under this subsection shall be allotted on the basis of the manpower allotment of the State in the fiscal year prior to the year for which the determination is made compared to the manpower allotment for all States in that year;

(B) 37½ percent of the amount allotted under this subsection shall be allotted on the basis of the relative number of unemployed persons within the State as compared to such numbers in all States;

(C) 12½ percent of the amount allotted under this subsection shall be allotted on the basis of the relative number of adults in families with an annual income below the low-income level within the State compared to such total numbers in all States;

(D) Not less than $2,000,000 shall be allotted among Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, in accordance with their respective needs.

(3) The sum allotted to each State shall be allotted by the Secretary among areas within the State on an equitable basis based upon the factors set forth in paragraph (2).

(4) No prime sponsor shall be allocated an amount which is in excess of 150 percent of the amount received by the area served by that prime sponsor in the fiscal year immediately preceding the fiscal year for which the determination was made except that if the amount so allocated is less than 50 percent of the amount to which such prime sponsor is entitled under paragraph (2) in the fiscal year for which a determination was made, then such allocation shall be increased to 50 percent of the amount of such entitlement.

(b) Not more than 5 percent of the amount available for this title shall be available to the Secretary to encourage, after consultation with and receiving recommendations from the Governor of the appropriate State, voluntary combinations formed under section 102 (a)(3).

(c) Five percent of the funds available under title I shall be available only for grants under section 112 except that such grants shall not increase the funds available in any prime sponsor's area by more than 20 percent of the amount allocated to such prime sponsor under subsection (a).

(d) One percent of the amount allocated under subsection (a) shall be available to the Secretary to be allocated in the same manner as provided under subsection (a) to State prime sponsors for the costs incurred in carrying out the provisions of section 107(a) (2) (B). If any State does not need the amount allocated under this subsection for any fiscal year, that amount shall be available for State services under section 106.

(e) Four percent of the amounts available for this title shall be available to each State in the same proportion as that State's allocation under subsection (a) for State services under section 106.

(f) The remainder of the funds shall be available in the Secretary's discretion. In exercising his discretion the Secretary shall first utilize such funds to provide each prime sponsor with an amount for any fiscal year equal to 90 percent of such area's manpower allotment in the preceding fiscal year. The remainder shall be distributed in the Secretary's discretion among areas served by prime sponsors (or where a prime sponsor's plan has not been approved, an area served by the Secretary under his authority in section 110). In exercising his discretion the Secretary shall take into account the need for continued funding of programs of demonstrated effectiveness.

(g) Grants made to prime sponsors designated under section 102 (a) (5) shall be from funds not allocated under subsection (a).

(h) As soon as practicable after funds are appropriated to carry out this Act for any fiscal year, the Secretary shall publish in the Federal Register the allotments made pursuant to this section. Allotments under this section shall be based on the latest satisfactory data and estimates available.

(i) The Secretary is authorized to make such reallocations under this title as he deems appropriate of the unobligated amount of any allotment pursuant to subsection (a) to the extent that the Secretary determines that it will not be required for the period for which such allotment is available. Allotted amounts may not be reallocated for any reason before the expiration of the ninth month of the fiscal year for which such funds were allotted and thereafter may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the pro-

posed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds and shall publish any such decision in the Federal Register. Priority shall be given in reallocating such funds to other areas within the same State.

PRIME SPONSOR'S PLANNING COUNCILS

SEC. 104. Each prime sponsor designated under this title shall establish a planning council consisting, to the extent practical, of members who are representative of the client community and of community-based organizations, the employment service, education and training agencies and institutions, business, labor, and, where appropriate, agriculture. The prime sponsor shall appoint the members of the council, designate the chairman, and provide professional, technical, and clerical staff to serve the council. It is the function of the council to submit recommendations regarding program plans and basic goals, policies, and procedures, to monitor and provide for objective evaluations of employment and training programs conducted in the prime sponsorhip area, and to provide for continuing analyses of needs for employment, training, and related services in such area. Any final decision with respect to such recommendations shall be made by the prime sponsor.

CONDITIONS FOR RECEIPT OF FINANCIAL ASSISTANCE

SEC. 105. (a) The Secretary shall not provide financial assistance for any fiscal year to a prime sponsor unless such sponsor submits a comprehensive manpower plan, in such detail as the Secretary deems necessary, which—

(1) sets forth a comprehensive manpower program which meets the objectives of this title, including (A) a description of the services to be provided, and performance goals, (B) assurance that such services will be administered by or under the supervision of the prime sponsor, (C) a description of the geographical areas to be served under the plan, and (D) assurances that to the maximum extent feasible manpower services, including the development of job opportunities, will be provided to those most in need of them, including low-income persons and persons of limited English-speaking ability, and that the need for continued funding of programs of demonstrated effectiveness is taken into account in serving such groups and persons;

(2) provides, in the case of prime sponsors who are recipients of funds under title II for the development of a public service employment program, that it is fully integrated with the services under this title in order to assure that persons employed in such a program are afforded a better opportunity to find regular employment not supported under this Act;

(3)(A) provides appropriate arrangements with community-based organizations serving the poverty community, and other special target groups for their participation in the planning of programs included in the plan; (B) provides for utilizing those services and facilities which are available, with or without re-

imbursement of the reasonable cost, from Federal, State, and local agencies to the extent deemed appropriate by the prime sponsor, after giving due consideration to the effectiveness of such existing services and facilities, including, but not limited to, the State employment service, State vocational education and vocational rehabilitation agencies, area skills centers, local educational agencies, post secondary training and education institutions, and community action agencies, but nothing contained herein shall be construed to limit the utilization of services and facilities of private agencies, institutions and organizations (such as private businesses, labor organizations, private employment agencies, and private educational and vocational institutions) which can, at comparable cost, provide substantially equivalent training or services or otherwise aid in reducing more quickly unemployment or current prospective manpower shortages; (C) provides that in making arrangements for institutional training priority shall be given (to the extent feasible) to the use of skills center established under the authority of section 231 of the Manpower Development and Training Act of 1962; (D) provides arrangements to the extent feasible for the coordination of services for which financial assistance is provided under programs administered by the Secretary of Labor relating to manpower and manpower-related services; and (E) provides such arrangements as may be appropriate to promote maximum feasible use of apprenticeship or other on-job training opportunities available under section 1787 of title 38, United States Code;

(4) provides for paying the allowances and compensation provided by section 111;

(5) provides that any transitional public service employment programs meet the requirements of section 205(c) and section 208, and that persons hired to fill jobs created by such programs will be residents of the areas described under paragraph (1)(C) of this subsection;

(6) provides assurances that programs of institutional training be designed for occupations in which skill shortages exists and assurances that such programs and training on the job shall, wherever possible, result in employment which provides economic self-sufficiency;

(7) contains such other information, assurances, statements, and arrangements consistent with the provisions of this Act as the Secretary shall prescribe by regulation including provisions designed to assist the Secretary in carrying out his special responsibilities under this section and section 108.

(b) The Secretary shall not provide financial assistance for any fiscal year to a prime sponsor unless such sponsor certifies that—

(1) its plan meets all the requirements of this section; and

(2) it will comply with all provisions of this Act.

(c) The Secretary shall provide financial assistance to each prime sponsor under this title to carry out the plans submitted by each such prime sponsor upon determining that—

(1) the plan is consistent with the provisions of this title;

(2) the plan was made public prior to submission to the Secretary;

(3) the prime sponsor has demonstrated maximum efforts to implement the provisions in the prior year's plan.

SPECIAL PROVISIONS RELATING TO STATE PRIME SPONSORS

SEC. 106. (a) Any State seeking assistance under this Act shall submit a State comprehensive manpower plan to the Secretary for approval in accordance with the requirements of this section.

(b) The State comprehensive manpower plan shall in addition to meeting the requirements of section 105—

(1) provide satisfactory arrangements for serving all geographical areas under its jurisdiction except areas served by an eligible applicant who has filed a notice of intent under section 102(c), except that such plan may be amended to include areas served by an eligible applicant whose plan is finally disapproved without prejudice to the remedies available to such eligible applicant under section 109;

(2) provide for the cooperation and participation of all State agencies providing manpower and manpower-related services in the implementation of comprehensive manpower services plans by prime sponsors in accordance with the provisions of this Act;

(3) set forth an overall State plan for the development and sharing of resources and facilities needed to conduct manpower programs under its direct sponsorship without unnecessary duplication and otherwise in the most efficient and economical manner;

(4) provide for the coordination of programs financed under the Wagner-Peyser Act in accordance with such rules, regulations, and guidelines as the Secretary determines necessary for the purpose of providing coordinated and comprehensive assistance to those individuals requiring manpower and manpower-related services to achieve their full occupational potential in accordance with the policies of this Act;

(5) set forth arrangements for assisting the Secretary in carrying out his responsibilities for enforcing the requirement for Federal contractors and subcontractors to list all suitable employment openings with local offices of the State employment service and take affirmative action, as required in section 2012(a) of title 38, United States Code;

(6) set forth arrangements, if any, which the State may desire to provide for planning areas to serve geographical regions within the State; and

(7) make adequate provisions for the coordination of the manpower and related services to be provided by the State in areas to be served by prime sponsors other than the State, and that provision has been made for the establishment of mechanisms to (A) provide for the exchange of information between States and local governments on State, intrastate, and regional planning in areas such as economic development, human resource development, education, and such other areas that may be relevant to manpower planning; and (B) promote the coordination of all manpower plans in a State so as to eliminate conflict, duplication, and overlapping between manpower services.

(c) Funds available to each State under section 103(e) may be used for—

(1) the provision of services under this Act throughout the State by State agencies responsible for employment and training and related services;

(2) providing financial assistance for special programs and services designed to meet the needs of rural areas outside major labor market areas;

(3) developing and publishing information regarding economic, industrial, and labor market conditions, including but not limited to job opportunities and skill requirements, labor supply in various skills, occupational outlook and employment trends in various occupations, and economic and business development and location trends;

(4) providing, without reimbursement and upon request, to any prime sponsor serving an area within the State, such information and technical assistance as may be appropriate to assist any such prime sponsor in developing and implementing its programs under this Act; and

(5) carrying out special model training and employment programs and related services, including programs for offenders similar to programs described in section 301(c) of this Act.

(d) The State prime sponsor shall annually certify compliance with all the requirements for State prime sponsors.

STATE MANPOWER SERVICES COUNCIL

SEC. 107. (a)(1) Any State which desires to be designated as a prime sponsor and to enter into arrangements with the Secretary under this title shall establish a Manpower Services Council (hereinafter referred to as the "Council") which shall exercise the powers and duties set forth in this section.

(2) The Council established pursuant to paragraph (1) shall—

(A) be appointed by the Governor (who shall designate one member thereof to be Chairman), and shall be composed of—

(i) representatives of the units or combinations of units of general local government in such State, who shall comprise at least one-third of the membership of the Council, which have comprehensive manpower plans approved under section 108 (except that the initial appointments to the Council may consist of representatives of units or combinations of units of general local government described in clauses (2), (3), (4), and (5) of section 102(a) which have indicated an intention to submit a plan for approval under section 108), and such representatives shall be designated by the chief executive officers of the units or combination of units of general local government which qualify for representation under this section in accordance with procedures agreed upon by such chief executive officers;

(ii) one representative each of the State board of vocational education and the public employment service of such State;

(iii) one representative of the State Advisory Council on Vocational Education created pursuant to section 105 of the Vocational Education Act of 1963;

(iv) one representative of each such other State agency as the Governor may determine to have a direct interest in overall manpower training and utilization within the State;

(v) representatives of organized labor;

(vi) representative of business and industry;

(vii) representatives of community-based organizations and of the client community to be served under this Act (including, where persons of limited English-speaking ability represent a substantial portion of the client population, appropriate representation of such persons); and

(viii) representatives of the general public.

(B) be appropriately staffed and serviced by the State prime sponsor;

(C) meets at such times and in such places as it deems necessary.

(b) The Council shall—

(1) review the plans of each prime sponsor and the plans of State agencies for the provision of services to such prime sponsors, and make recommendations to such prime sponsors and agencies for the more effective coordination of efforts to meet the overall manpower needs of the State;

(2) continuously monitor the operation of programs conducted by each prime sponsor, and the availability, responsiveness, and adequacy of State services, and make recommendations to the prime sponsors, to agencies providing manpower services, and to the Governor and the general public with respect to ways to improve the effectiveness of such programs or services in fulfilling the purposes of this Act;

(3) make an annual report to the Governor which shall be a public document, and issue such other studies, reports, or documents as it deems advisable to assist prime sponsors or to otherwise help carry out the purposes of this Act.

(4)(i) identify, after consultation with the State Advisory Council on Vocational Education, the employment and training and vocational education needs of the State and assess the extent to which employment training, vocational education, vocational rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and (ii) comment at least once annually, on the reports of the State Advisory Council on Vocational Education, which comments shall be included in the annual report submitted by the Council pursuant to this section and in the annual report submitted by the State Advisory Council pursuant to section 105 of the Vocational Education Act of 1963.

REVIEW OF PLANS

SEC. 108. (a) The Secretary shall not approve a comprehensive manpower plan or any amendment thereto until he determines that it meets the requirements of section 105, and in the case of a State plan section 106, and that the plan was submitted to, and an opportunity to comment thereon provided, the Governor of the State and appropriate officials in units of general local government of the area to be served.

(b) (1) The Secretary shall not finally disapprove any comprehensive manpower plan submitted under this title, or any modifications thereof, without first affording the prime sponsor submitting the plan reasonable notice and opportunity for a hearing.

(2) If the Secretary receives a formal allegation from an affected unit of general local government that a prime sponsor has changed

its comprehensive manpower plan so that it no longer complies with section 105 or that in the administration of the plan there is a failure to comply substantially with any such provision, with any provision of the plan, or with any requirements of section 603 or 604, he shall, and, if he receives such an allegation from any other interested person, he may, or, if such allegation is supported by substantial evidence, he shall, after due notice and opportunity for a hearing to the prime sponsor, determine whether the allegation is true. If he determines such an allegation to be true, the Secretary shall notify the prime sponsor that no further payments will be made to the prime sponsor under the plan (or, in his discretion, that further payments will be limited to programs under or portions of the plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Secretary shall make no further payments to such sponsor under the plan (or shall limit payments to programs under the plan not affected by the failure).

(c) The Secretary shall not disapprove any plan solely because of the percentage of funds devoted to a particular program or activity authorized under section 101 of this Act.

(d) Whenever the Secretary determines, after notice and opportunity for a public hearing, that any prime sponsor designated to serve under this Act is—

(1) maintaining a pattern or practice of discrimination in violation of section 603(1) or section 612(a) of this Act or otherwise failing to serve equitably the economically disadvantaged, unemployed, or underemployed persons in the area it serves;

(2) incurring unreasonable administrative costs in the conduct of activities and programs, as determined pursuant to regulation;

(3) failing to give due consideration to continued funding of programs of demonstrated effectiveness including those previously conducted under provisions of law repealed by section 614 of this Act; or

(4) otherwise materially failing to carry out the purposes and provisions of this Act;

the Secretary shall revoke the prime sponsor's plan for the area, in whole or in part, and to the extent necessary and appropriate shall not make any further payments to such prime sponsor under this Act, and he shall notify such sponsor to return to him all or part of the unexpended sums paid under this Act during that fiscal year.

JUDICIAL REVIEW

SEC. 109. (a) If any prime sponsor is dissatisfied with the Secretary's final action with respect to the approval of its comprehensive manpower plan submitted under section 105 or section 106 or with his final action under section 108, such prime sponsor may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the prime sponsor is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. Thereupon the Secretary shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown,

may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court if the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

AUTHORITY OF SECRETARY TO PROVIDE SERVICES

SEC. 110. (a) In any area of a State which has not qualified as a prime sponsor and for which no other prime sponsor has qualified under paragraph (2), (3), (4), or (5) of section 102(a) or where the Secretary has taken an action under subsection (b)(2) or (d) of section 108 which results in such services not being provided in such area, the Secretary is authorized and directed out of funds allotted to such State or local area under section 103(a) to provide for continuing programs by making payments directly to public and private nonprofit agencies and organizations conducting activities which he determines are not in violation of the requirements of this section. To the extent necessary to assure the delivery of services in the areas served by any prime sponsor subject to the provisions of this section, the Secretary is authorized (if no other eligible prime sponsor is designated under section 102 of this Act to serve such area) to make grants to and enter into contracts with public and private nonprofit agencies and organizations in the same manner and to the same extent as if the Secretary were the prime sponsor for that area.

(b) The Secretary shall, prior to making any payments under this Act for any fiscal year, enter into an agreement with any prime sponsor receiving payments under this Act which contains provisions adequate to assure that the provisions of this section are carried out effectively.

ALLOWANCES

SEC. 111. (a) Basic weekly allowances for individuals receiving training or education under this title for which no wages are payable shall be at a rate prescribed by the Secretary which when added to amounts received by the trainee in the form of unemployment compensation payments shall equal the minimum wage for a work week of forty hours under section 6(a)(1) of the Fair Labor Standards Act of 1938 or, if higher, under the applicable State or local minimum wage law, and such basic allowances shall, in the case of an individual with dependents, be increased by $5 a week for each dependent over two up to a maximum of four additional dependents. The prime sponsor may waive the payment of all or part of the allowances when it determines, under regulations prescribed by the Secretary, that such waiver will promote the purposes of this Act. Trainees receiving public assistance or whose needs or income are taken into account in determining such public assistance payments to others, shall receive an incentive allowance of $30 per week. Such allowance shall be dis-

regarded in determining the amount of public assistance payments under Federal or Federally assisted public assistance programs. In prescribing allowances, the prime sponsor shall, in accordance with regulations prescribed by the Secretary, allow additional sums for special circumstances such as exceptional expenses incurred by trainees, including but not limited to meal and travel allowances, or he may reduce such allowances by an amount reflecting the fair value of meals, lodging, or other necessaries furnished to the trainee. The prime sponsor shall take such action as may be necessary to insure that such persons receive no allowances with respect to periods during which they are failing to participate in such programs, training, or instruction as prescribed herein without good cause. Notwithstanding the preceding provisions of this subsection, the prime sponsor shall, in accordance with such regulations as the Secretary shall prescribe, make such adjustments as he deems appropriate in allowances which would otherwise be payable under this title, including but not limited to adjustments which take into account the amount of time per week spent by the individual participating in such programs and adjustments to reflect the special economic circumstances which exist in the area in which the program is to be carried on. Allowances shall not be paid for any course of training having a duration in excess of one hundred and four weeks.

(b) Individuals receiving training on the job shall be compensated by the employer at such rates, including periodic increases, as maybe deemed reasonable under regulations prescribed by the Secretary, considering such factors as industry, geographical region, and trainee proficiency, but in no event at a rate less than that specified in section 6(a)(1) of the Fair Labor Standards Act of 1938 or, if higher, under the applicable State or local minimum wage law.

SUPPLEMENTAL VOCATIONAL EDUCATION ASSISTANCE

SEC. 112. (a) From the funds available to him for this section, the Secretary shall make grants to Governors to provide financial assistance, through State vocational education boards, to provide needed vocational education services in areas served by prime sponsors.

(b) All of the sums available to carry out this section shall be allotted among the States in the manner provided for allotting funds under section 103(a).

(c) Funds available under this section shall be used only for providing vocational education and services to participants in programs under this title in accordance with an agreement between the State vocational education board and the prime sponsor.

TITLE II—PUBLIC EMPLOYMENT PROGRAMS

STATEMENT OF PURPOSE

SEC. 201. It is the purpose of this title to provide unemployment and underemployed persons with transitional employment in jobs providing needed public services in areas qualifying for assistance and, wherever feasible, related training and manpower services to enable such persons to move into employment or training not supported under this title.

ALLOCATION OF FUNDS

SEC. 202. (a) Eighty per centum of funds available for any fiscal year for use in areas of substantial unemployment under this title shall be allocated among eligible applicants in accordance with the number of unemployed residing in areas of substantial unemployment within the jurisdiction of the applicant compared to the number of unemployed residing in all such areas.

(b) The remainder may be distributed by the Secretary in his discretion taking into account the severity of unemployment within such areas.

(c) Whenever the Secretary allocates any funds available under subsection (b) of this section through a distribution based upon a formula, he shall, not later than 30 days prior to such allocation, publish in the Federal Register for comment the specific formula upon which such distribution is based, the rationale supporting the selection of the formula, and the proposed distribution to each prime sponsor. After consideration of comments received under the preceding sentence, the Secretary shall publish final allocations.

SPECIAL PROVISION FOR AREAS OF EXCESSIVELY HIGH UNEMPLOYMENT AND TO EXPAND JOB OPPORTUNITIES

SEC. 604. (a) Funds allocated from appropriations for carrying out this title to any eligible applicant, which certifies to the Secretary that the application of the provisions of this section is necessary in order to provide sufficient job opportunities in the area served by such eligible applicant, may be used for making payments to public employers to expand the provision of job opportunities of the type described in paragraphs (3), (4), (5), and (6) of section 304(a) of this Act.

(b) In accordance with the provisions of subsection (c), and not withstanding the provisions of section 602(a) and 602(b), funds allotted under section 603 to eligible applicants may be used for—

FINANCIAL ASSISTANCE

SEC. 203. (a) The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available in areas of substantial unemployment for the purpose of providing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment or training not supported under this title.

(b) Notwithstanding the provisions of section 208(a)(7) of this Act, not less than 85 per centum of the funds allocated in accordance with the provisions of this title which are used by an eligible applicant for public service employment programs under this title shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title, and the remainder of such funds may be used for administrative costs, including rental costs (within such reasonable limitations as the Secretary may prescribe with respect to the rental of space), and to obtain necessary supplies, equipment, and materials.

ELIGIBLE APPLICANTS

SEC. 204. (a) Financial assistance under this title may be provided by the Secretary only pursuant to applications submitted by eligible applicants which are—

(1) prime sponsores qualified under title I; or

(2) Indian tribes on Federal or State reservations

(b) For fiscal year 1974, eligible applicants included any entity eligible to be a prime sponsor under section 102(a).

(c) For the purpose of this title "areas of substantial unemployment" means any area of sufficient size and scope to sustain a public service employment program and which has a rate of unemployment equal to or in excess of 6.5 per centum for three consecutive months as determined by the Secretary. Determinations concerning the rate of unemployment shall be made by the Secretary at least once each fiscal year.

(d)(1) Whenever an area qualifying for assistance within the jurisdiction of an eligible applicant is also within the jurisdiction of a unit of general local government or a combination of such units having a population of 50,000 or more (but less than that necessary to qualify as a prime sponsor under title I), the eligible applicant shall delegate to such unit or units of general local government the functions of program agent with respect to the funds allocated to such eligible applicant on account of such area qualifying for assistance.

(2) For purposes of this subsection the functions of program agent include the administrative responsibility for developing, funding, overseeing, and monitoring programs within the area but such functions shall be carried on consistently with the application for financial assistance which shall be developed by the eligible applicant in cooperation with the program agent.

(3) Whenever two or more units of general local government qualify as program agents with respect to the same area qualifying for assistance the provisions of section 102(b) (2) shall be applicable.

(e) Whenever the Secretary makes any determination required by this section, he shall promptly notify the Congress and shall publish such determination in the Federal Register.

APPLICATIONS

SEC. 205. (a) Financial assistance under this title may be provided by the Secretary for any fiscal year only pursuant to an application which is submitted by an eligible applicant and which is approved by the Secretary in accordance with the provisions of this title. Any such application shall set forth a public service employment program designed to provide employment, in jobs providing needed public services, for persons residing in areas qualifying for assistance who have been unemployed for at least thirty days and, where appropriate, training and manpower services related to such employment which are otherwise unavailable, and to enable such persons to move into employment or training not supported under this title.

(b) Programs assisted under this title shall, to the extent feasible, be designed with a view toward—

(1) developing new careers, or

(2) providing opportunities for career advancement, or

(3) providing opportunities for continued training, including on-the-job training, or

(4) providing transitional public service employment which will enable the individuals so employed to move into public or private employment or training not supported under this Act.

(c) An application for financial assistance for a public service employment program under this title shall include provisions setting forth—

(1) assurances that the activities and services for which assistance is sought under this title will be administered by or under the supervision of the applicant, identifying any agency or institution designated to carry out such activities or services under such supervision;

(2) a description of the area to be served by such programs, and a plan for effectively serving on an equitable basis the significant segments of the population to be served, including data indicating the number of potential eligible participants and their income and employment status;

(3) assurances that only persons residing within the area qualifying for assistance will be hired to fill jobs created under this title, and that the public services provided by such jobs shall to the extent feasible, be designed to benefit the residents of such areas;

(4) assurances that special consideration will be given to the filling of jobs which provide sufficient prospects for advancement or suitable continued employment by providing complementary training and manpower services designed to (A) promote the advancement of participants to employment or training opportunities suitable to the individuals involved, whether in the public or private sector of the economy, (B) provide participants with skills for which there is an anticipated high demand, or (C) provide participants with self-development skills, but nothing contained in this paragraph shall be construed to preclude persons or programs for whom the foregoing goals are not feasible or appropriate;

(5) assurances (A) that special consideration in filling transitional public service jobs will be given to unemployed persons who served in the Armed Forces in Indhochina or Korea on or after August 5, 1964, in accordance with criteria established by the Secretary (and who have received other than dishonorable discharges), and a description of the specific steps to be undertaken during such fiscal year to provide such special consideration, and of the types of jobs to be made available to such veterans, with special emphasis on the development of jobs which will utilize, to the maximum extent feasible, the skills which such veterans acquired in connection with their military training and service, and (B) that the applicant shall (i) make special efforts to acquaint such veterans with the program and the public service jobs available to veterans under this Act, and (ii) coordinate efforts in behalf of such veterans with those activities authorized by chapter 41 of title 38, United States Code (relating to Job Counseling and Employment Services for Veterans), or carried out by other public or private organizations or agencies;

(6) assurances that, to the extent feasible, public service jobs shall be provided in occupational fields which are most likely to expand within the public or private sector as the unemployment rate recedes;

(7) assurances that special consideration in filling transitional public service jobs will be given to unemployed persons who are the most severely disadvantaged in terms of the length of time they have been unemployed and their prospects for finding employment without assistance under this title, but such special consideration shall not authorize the hiring of any person when any other person is on lay-off from the same or any substantially equivalent job;

(8) assurances that no funds received under this title will be used to hire any person to fill a job opening created by the action of an employer in laying off or terminating the employment of any regular employee not supported under this title in anticipation of filling the vacancy so created by hiring an employee to be supported under this title;

(9) assurances that due consideration be given to persons who have participated in manpower training programs for whom employment opportunities would not be otherwise immediately available;

(10) a description of the methods to be used to recruit, select, and orient participants, including specific eligibility criteria, and programs to prepare the participants for their job responsibilities;

(11) a description of unmet public service needs and a statement of priorities among such needs;

(12) a description of jobs to be filled, a listing of the major kinds of work to be performed and skills to be acquired and the approximate duration for which participants would be assigned to such jobs;

(13) the wages or salaries to be paid persons employed in public service jobs under this title and a comparison with the wages paid for similar public occupations by the same employer;

(14) where appropriate, the education, training, and supportive services (including counseling and health care services) which complement the work performed;

(15) the planning for and training of supervisory personnel in working with participants;

(16) a description of career opportunities and job and advancement potentialities for participants;

(17) assurances that procedures established pursuant to section 207(a) will be compiled with;

(18) assurances that agencies and institutions to whom financial assistance is made available under this title have undertaken, or will undertake, analyses of job descriptions and revaluations and, where shown necessary, revisions of qualification requirements at all levels of employment, including civil service requirements and practices relating thereto, in accordance with regulations prescribed by the Secretary, with a view toward removing artificial barriers to public employment of those whom it is the purpose of this title to assist;

(19) assurances that the applicant will, where appropriate, maintain or provide linkages with upgrading and other manpower programs for the purpose of (A) providing those persons employed in public service jobs under this title who want to pursue work with the employer, in the same or similar work, with opportunities to do so and to find permanent upwardly mobile careers in that field, and (B) providing those persons so employed who do not wish to pursue permanent careers in such field, with opportunities to seek, prepare for, and obtain work in other fields;

(20) assurances that all persons employed under any such program, other than necessary technical, supervisory, and administrative personnel, will be selected from among unemployed and underemployed persons;

(21) assurances that the program will, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement, including civil service requirements which restrict employment opportunities for the disadvantaged;

(22) assurances that not more than one-third of the participants in the program will be employed in a bona fide professional capacity (as such term is used in section 13(a)(1) of the Fair Labor Standards Act of 1938), except that this paragraph shall not be applicable in the case of participants employed as classroom teachers, and the Secretary may waive this limitation in exceptional circumstances;

(23) a description of the manpower needs of local governments and of local educational agencies within the area to be served together with the comments of such governments and agencies where appropriate, and assurances that jobs will be allocated equitably to such governments and agencies taking into account the number of unemployed within their jurisdictions and the needs of the agencies;

(24) assurances that the jobs in each promotional line in no way infringe upon the promotional opportunities which would otherwise be available to persons currently employed in public service jobs not subsidized under this title, and assurances that no job will be filled, in other than an entry level position in each promotional line until applicable personnel procedures and collective bargaining agreements have been complied with;

(25) assurances that jobs funded under this title are in addition to those that would be funded by the sponsor in the absence of assistance under this Act; and

(26) such other assurances, arrangements, and conditions, consistent with the provisions of this title, as the Secretary deems necessary, in accordnace with such regulations as he shall prescribe.

(d) In filling teaching positions in elementary and secondary schools with financial assistance under this title, each eligible applicant shall give special consideration to unemployed persons with previous teaching experience who are certified by the State in which that applicant is located and who are otherwise eligible under the provisions of this title.

APPROVAL OF APPLICATIONS

SEC. 206. An application, or modification or amendment thereof, for financial assistance under this title may be approved only if the Secretary determines that—

(1) the application meets the requirements set forth in this title;

(2) an opportunity has been provided to officials of the appropriate units of general local government to submit comments with respect to the application to the applicant and to the Secretary;

(3) an opportunity has been provided to the Governor of the State to submit comments with respect to the application to the applicant and to the Secretary; and

(4) where a labor organization represent employees who are engaged in similar work in the same area to that proposed in the application, an opportunity has been provided such organization to submit comments with respect to the application to the applicant and to the Secretary.

SPECIAL RESPONSIBILITIES OF THE SECRETARY

SEC. 207. (a) The Secretary shall establish procedure for periodic reviews by an appropriate agency of the status of each person employed in a public service job under this title to assure that in the event that any person employed in a public service job under this title and the reviewing agency find that such job will not provide sufficient prospects for advancement or suitable continued employment, maximum efforts shall be made to locate employment or training opportunities providing such prospects, and such person shall be offered appropriate assistance in securing placement in the opportunity which he chooses after appropriate counseling.

(b) The Secretary shall review the implementation of the procedures established under subsection (a) of this section six months after funds are first obligated under this title and at six month-intervals thereafter.

(c) Where the Secretary determines that an Indian tribe on a Federal or State reservation is unable to submit an application to carry out a public service employment program which meets the requirements of section 205, the Secretary shall assist such tribe in preparing, submitting, and implementing a public service employment program. The provisions of section 208 shall apply to programs carried out under this subsection.

SPECIAL CONDITIONS

SEC. 208. (a) The Secretary shall not provide financial assistance for any program or activity under this title unless he determines, in accordance with such regulations as he shall prescribe, that—

(1) the program (A) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (B) will not result in the displacement of currently employed workers (including partial displacement such as a reduction in the hours of non-overtime work or wages or employment benefits), (C) will not impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed, and (D) will not substitute public service jobs for existing federally assisted jobs;

(2) persons employed in public service jobs under this Act shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such title applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employ-

ment, or (C) the prevailing rates of pay for persons employed in similar public occupations by the same employer;

(3) funds under this title will not be used to pay persons employed in public service jobs under this title at a rate in excess of $10,000 per year;

(4) all persons employed in public service jobs under this title will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits at the same levels and to the same extent as other employees of the employer and to working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy;

(5) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such program or activity;

(6) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(7) no funds under this title will be used for the acquisition of, or for the rental or leasing of supplies, equipment, materials, or real property; and

(8) every participant shall be advised, prior to entering upon employment, of his rights and benefits in connection with such employment.

(b) Consistent with the provisions of this title, the Secretary shall make financial assistance under this title available in such a manner that, to the extent practicable, public service employment opportunities will be available on an equitable basis in accordance with the purposes of this title among significant segments of the population of unemployed persons, giving consideration to the relative numbers of unemployed persons in each such segment.

(c) Where a labor organization represents employees who are engaged in similar work in the same area to that proposed to be performed under any program for which an application is being developed for submission under this title, such organization shall be notified and afforded a reasonable period of time prior to the submission of the application in which to make comments to the applicant and to the Secretary.

(d) The Secretary shall prescribe regulations to assure that programs under this title have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

(e) The Secretary shall not provide financial assistance for any program under this title unless he determines, in accordance with regulations which he shall prescribe, that periodic reports will be submitted to him containing data designed to enable the Secretary and the Congress to measure the relative and, where programs can be compared appropriately, comparative effectiveness of the programs authorized under this title and other federally supported manpower programs. Such data shall include information on—

(1) characteristics of participants including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in employment situations, including information on the duration of employment of program participants for at least a year following the termination of participation in federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per participant, including breakdown between wages, training, and supportive services, all fringe benefits, and administrative costs.

The Secretary shall compile such information on a State, regional, and national basis, and shall include such information in the report required by section 209 of this title.

(f) The Secretary shall not provide financial assistance for any program under this title unless the grant, contract, or agreement with respect thereto specifically provides that no person with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(g) The Secretary shall not provide financial assistance for any program under this title which involves political activities; and neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

(h) The Secretary shall not provide financial assistance for any program under this title unless he determines that participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

SPECIAL REPORT

SEC. 209. (a) The Secretary shall transmit to the Congress at least annually a detailed report setting forth the activities conducted under this title, including information derived from evaluations required by this title and information on the extent to which (1) participants in such activities subsequently secure and retain public or private employment or participate in training or employability development programs, (2) segments of the population of unemployed persons are provided public service opportunities in accordance with the purposes of this title.

(b) In compiling the data which the Secretary is required to report to the Congress under section 208(e), the Secretary shall obtain and compile information on practices and procedures implemented by prime sponsors affecting average annual wage rates paid to public service job holders and public service job opportunities described under this title. The Secretary is authorized to make general recommendations to prime sponsors, on a regional and area basis, as he may deem appropriate, consistent with section 208(a)(3) (relating to the maximum annual wage rate per public service job holder), taking into account average wages in the various areas served and the cost of living in such areas, with the aim of maintaining the number of jobs on a nationwide average in federally supported wage rates equivalent to $7,800 per public service job holder.

UTILIZATION OF FUNDS

SEC. 210. Funds available under this title to an eligible applicant may, at its option, be utilized for residents of the area qualifying for such assistance for programs authorized under title I and part A of title III of this Act.

SPECIAL PROVISIONS

SEC. 211. (a) The determinations to be made under section 204(c) shall take into account the rate of unemployment for a period of three consecutive months even though all or part of such period may have occurred prior to the enactment of this Act.

(b) No officer or employee of the Department of Labor shall, by regulation or otherwise, impose on any eligible applicant, as a condition for the receipt of financial assistance under the title, any requirement that any eligible applicant must place in other jobs a specific number or proportion of public service jobholders supported under this title. The Secretary may establish placement goals for eligible applicants, except that such goals must be identified as goals, not requirements, and any form or other document developed pursuant to such regulations shall give written notice to that effect. Any eligible applicant shall have the right, clearly stated in such regulations, to request a waiver of such goals if, in his judgment, such goals are not feasible. Such waiver, a request for which may be submitted at any time, may be granted by the Secretary where, in his judgment, local conditions warrant it. Wherever such a waiver has been granted, failure to meet placement goals shall not be cited in any official review or evaluation of that eligible applicant's programs.

TITLE III—SPECIAL FEDERAL RESPONSIBILITIES

PART A—SPECIAL TARGET GROUPS

SPECIAL MANPOWER TARGET GROUPS

SEC. 301. (a) The Secretary shall use funds available under this title to provide additional manpower services as authorized under titles I and II to segments of the population that are in particular need of such services, including youth, offenders, persons of limited English-speaking ability, older workers, and other persons which the Secretary determines have particular disadvantages in the labor market. The Secretary shall take into account the need for continued funding of programs of demonstrated effectiveness.

(b) With respect to programs for persons of limited English-speaking ability under this Act, the Secretary shall establish appropriate procedures to ensure that participants are provided with manpower training and related assistance and supportive services (where feasible, at times designed to meet the needs of individuals unable to attend during normal working hours) designed to increase the employment and training opportunities for unemployed and underemployed persons of limited English-speaking ability, including (A) the teaching of occupational skills in the primary language of such persons for occupations which do not require a high proficiency in English, and (B) developing new employment opportunities for limited English-

speaking persons and opportunities for promotion within existing employment situations for such persons, including programs for the dissemination of appropriate information, and job placement, and counseling assistance, and the conduct of training and employment programs, in the primary language of such persons, as well as programs designed to increase the English-speaking ability of such persons.

(c) With respect to programs for offenders referred to in subsection (a), the Secretary shall establish appropriate procedures to insure that participants are provided with such manpower training and related assistance and support services (including basic education, drug addiction or dependency rehabilitation, health care and other services) which will enable them to secure and obtain meaningful employment. To ensure the objective of this subsection, the Secretary may, wherever feasible, provide for appropriate arrangements with employers and labor organizations, appropriate parole, probationary and judicial authorities, and for the utilization of training equipment comparable to that currently used for the job in which training is furnished. To support such programs, the Secretary shall develop information concerning the special needs of offenders for such services, including special studies regarding the incidence of unemployment among offenders and the means of increasing employment opportunity for offenders.

(d) The Secretary shall carry out fully and effectively his responsibilities for the assignment of assistant veterans employment representatives under section 2003 of title 38, United States Code, and his other responsibilities under chapter 41 of such title and for the listing of all suitable employment openings with local offices of the State employment service by Federal contractors and subcontractors and providing for the special emphasis as required by section 2012(a) of such title.

INDIAN MANPOWER PROGRAMS

SEC. 302. (a) The Congress finds that (1) serious unemployment and economic disadvantage exist among members of Indian and Alaskan native communities; (2) there is a compelling need for the establishment of comprehensive manpower training and employment programs for members of those communities; (3) such programs are essential to the reduction of economic disadvantage among individual members of those communities and to the advancement of economic and social development in these communities consistent with their goals and life styles.

(b) The Congress therefore declares that, because of the special relationship between the Federal Government and most of those to be served by the provisions of this section, (1) such programs can best be administered at the national level; (2) such programs shall be available to federally recognized Indian tribes, bands, and individuals and to other groups and individuals of native American descent such as, but not limited to, the Lummis in Washington, the Menominees in Wisconsin, the Klamaths in Oregon, the Oklahoma Indians, the Passamaquoddys and Penobscots in Maine, and Eskimos and Aleuts in Alaska; (3) such programs shall be administered in such a manner as to maximize the Federal commitment to support growth and devel-

opment as determined by representatives of the communities and groups served by this part.

(c)(1) In carrying out his responsibilities under this section, the Secretary shall, wherever possible, utilize Indian tribes, bands or groups (including Alaska Native villages or groups as defined in the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688)) having a governing body, for the provision of manpower services under this title. When the Secretary determines that such tribe, band, or group has demonstrated the capability to effectively administer a comprehensive manpower program, he shall require such tribe, band, or group to submit to him a comprehensive plan meeting the requirements of section 105.

(2) In carrying out his responsibilities under this section the Secretary shall make arrangements with prime sponsors and organizations (meeting requirements prescribed by the Secretary) serving non-reservation Indians for programs and projects designed to meet the needs of such Indians for employment and training and related services.

(d) Whenever the Secretary determines not to utilize Indian tribes, bands, or groups for the provisions of manpower services under this section, he shall, to the maximum extent feasible, enter into arrangements for the provision of such services with public or private nonprofit agencies which meet with the approval of the tribes, bands, or groups to be served.

(e) The Secretary is directed to take appropriate action to establish administrative procedures and machinery (including personnel having particular competence in this field) for the administration of Indian manpower programs authorized under this Act.

(f) Funds available for this section shall be expended for programs and activities consistent with the purposes of this part, including but not limited to such programs and activities carried out by eligible applicants under other provisions of this Act.

(g) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 4 percent of the amount allocated pursuant to section 103(a)(1).

(h) No provision of this section shall abrogate in any way the trust responsibilities of the Federal Government to Indian bands or tribes.

MIGRANT AND SEASONAL FARMWORKER MANPOWER PROGRAMS

SEC. 303. (a) The Congress finds and declares that—

(1) chronic seasonal unemployment and underemployment in the agricultural industry, substantially affected by recent advances in technology and mechanization, constitute a substantial portion of the Nation's rural manpower problem and substantially affects the entire national economy;

(2) because of the special nature of certain farmworker manpower problems such programs can best be administered at the national level.

(b)(1) Funds available for this section shall be expended for programs and activities consistent with the purposes of this section, including but not limited to programs and activities carried out by eligible applicants under other provisions of this Act.

(2) For the purpose of carrying out this section, the Secretary shall reserve from funds available for this title an amount equal to not less than 5 percent of the amount allocated pursuant to section 103(a)(1).

YOUTH PROGRAMS AND OTHER SPECIAL PROGRAMS

SEC. 304. (a) The Secretary may provide financial assistance in urban and rural areas, including areas having large concentrations or proportions of low-income, unemployed persons, and rural areas having substantial outmigration to urban areas, for comprehensive work and training programs, and necessary supportive and follow-up services, including the following:

(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

(3) jobs, including those in recreation and related programs, for economically disadvantaged youths during the summer months;

(4) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment, physical improvement, or beautification of the community or areas served by the program;

(5) special programs which provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served;

(6) special services, when required, for middle-aged and older men and women, including recruitment, placement, and counseling for such persons who are unemployed as a result of the closing of a plant or factory or a permanent large-scale reduction in the work force of a locality, and provide grants to or contracts with prime sponsors to assist such sponsors in securing part-time or temporary employment for middle-aged and older persons; and

(7) other manpower programs conducted by community-based organizations.

(b) To the maximum extent feasible, programs or components of programs conducted under this section shall be linked to comprehen-

sive work and training programs conducted by prime sponsors under title I of this Act, but the Secretary may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments the appropriate prime sponsor, if any, that such assistance would enhance program effectiveness. In the case of programs under subsection (a)(1) of this section, financial assistance may be provided directly to local or State education agencies, after consultation with the Secretary of Health, Education, and Welfare, for the operation of such programs.

CONSULTATION WITH SECRETARY OF HEALTH, EDUCATION, AND WELFARE

SEC. 306. The Secretary of Labor shall consult with the Secretary of Health, Education, and Welfare, with respect to arrangements for services of a health, education, or welfare character under this Act, and the Secretary of Health, Education, and Welfare shall solicit the advice and comments of State educational agencies with respect to education services. Such services include but are not limited to basic or general education; educational programs conducted for offenders; institutional training; health care, child care, and other supportive services; and new careers and job restructuring in the health, education, and welfare professions. When the Secretary of Labor arranges for the provision of basic education and vocational training directly, pursuant to the provisions of this title, he shall obtain the approval of the Secretary of Health, Education, and Welfare for such arrangements.

PART B—RESEARCH, TRAINING, AND EVALUATION

RESEARCH

SEC. 311. (a) To assist the Nation in expanding work opportunities and assuring access to those opportunities for all who desire it, the Secretary shall establish a comprehensive program of manpower research utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the Nation's manpower problems. This program will include, but not be limited to, studies, the findings of which may contribute to the formulation of manpower policy; development or improvement of manpower programs; increased knowledge about labor market processes; reduction of unemployment and its relationships to price stability; promotion of more effective manpower development, training, and utilization; improved national, regional, and local means of measuring future labor demand and supply; enhancement of job opportunities; skill training to qualify employees for positions of greater skill, responsibility, and remuneration; meeting of manpower shortages; easing of the transition from school to work, from one job to another, and from work to retirement, opportunities and services for older persons who desire to enter or reenter the labor force, and for improvements of opportunities for employment and advancement through the reduction of discrimination and disadvantage arising from poverty, ignorance, or prejudice.

(b) The Secretary shall establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public or private non-profit organizations, or through contracts with other private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training problems, however, nothing in this subsection shall authorize the Secretary to carry out employment programs experimenting with subsidized wages in the private sector or with wages less than those established by the Fair Labor Standards Act of 1938, as amended, for employment subject to that Act. In carrying out this subsection with respect to programs designed to provide employment and training opportunities for low-income people, the Secretary shall consult with such other agencies as may be appropriate. Where programs under this section require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare.

(c) The Secretary is authorized to conduct, either directly or by way of contract, grant, or other arrangement, a thorough evaluation of all programs and activities conducted pursuant to this Act to determine the effectiveness of such programs and activities in meeting the special needs of disadvantaged, chronically unemployed, and low-income persons for meaningful employment opportunities and supportive services to continue or resume their education and employment and to become more responsible and productive citizens.

(d) The Secretary shall conduct such research and investigations as give promise of furthering the objectives of this Act either directly or through grants, contracts, or other arrangements.

(e) The Secretary is authorized to undertake projects (either directly or by grant or contract) for the purpose of demonstrating the feasibility of providing relocation assistance to unemployed workers residing in areas of substantial unemployment who would otherwise be eligible for public service employment under this Act. Such assistance shall be in such form and amount as the Secretary deems appropriate for demonstration purposes, except that he shall use as a general guideline the form and amount of relocation assistance available under chapter 2 of title II of the Trade Act of 1974.

LABOR MARKET STATISTICS AND JOB BANK

SEC. 312. (a) The Secretary shall develop a comprehensive system of labor market information on a national, State, local, or other appropriate basis, which shall be made publicly available in a timely fashion.

(b) In addition to the monthly national unemployment statistics, the Secretary shall develop reliable methods, including the use of selected sample surveys, to produce more statistically accurate data on unemployment, underemployment and labor demand by State, local, and poverty areas.

(c) The Secretary shall develop preliminary data for an annual statistical measure of labor market related economic hardship in the nation. Among the factors to be considered in developing such a measure are unemployment, labor force participation, involuntary

part-time employment, and full-time employment at less than poverty wages.

(d) The Secretary shall develop methods to establish and maintain more comprehensive household budget data at different levels of living, including a level of adequacy, to reflect the differences of household living costs in regions and localities, both urban and rural.

(e) The Secretary shall set aside, out of sums available to the department for any fiscal year including sums available under section 4(e) of this Act, an amount which he determines is necessary and appropriate to enable him to carry out the provisions of this section, and shall no later than sixty days after such sums are appropriated and made available notify the appropriate committees of the Congress of the amount so set aside and the basis for his determination of need and appropriateness.

(f) The Secretary shall report to the Senate Committee on Labor and Public Welfare and to the House Committee on Education and Labor the results of his efforts under subsections (a), (b), and (c) of this section by December 31, 1974.

(g) The Secretary shall establish and carry out a nationwide computerized job bank and matching program (utilizing the listing of all suitable employment openings with local offices of the State employment service by Federal contractors and subcontractors and providing for the special emphasis as required by section 2012(a) of title 38, United States Code) on a regional, State, and local basis, using electronic data processing and telecommunications systems to the maximum extent possible for the purpose of identifying sources of available persons and job vacancies, providing an expeditious means of matching the qualifications of unemployed, underemployed, and economically disadvantaged persons with employer requirements and job opportunities, and referring and placing such persons in jobs.

EVALUATION

SEC. 313. (a) The Secretary shall provide for the continuing evaluation of all programs and activities conducted pursuant to this Act, including their cost in relation to their effectiveness in achieving stated goals, their impact on communities and participants, their implication for related programs, the extent to which they meet the needs of persons of various ages, and the adequacy of the mechanism for the delivery of services. In conducting the evaluations called for by this subsection, the Secretary shall compare the effectiveness of programs conducted by prime sponsors of the same class, of different classes, and shall compare the effectiveness of programs conducted by prime sponsors with similar programs carried out by the Secretary under section 110, or under title III. He shall also arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs.

(b) In order to enable the Secretary to measure the relative and, where programs can be compared appropriately, comparative effectiveness of programs authorized under this Act and part C of title IV of the Social Security Act, he shall require that periodic reports be submitted to him. Reports submitted under this subsection shall contain data which shall include information on—

(1) enrollee characteristics, including age, sex, race, health, education level, and previous wage and employment experience;

(2) duration in training and employment situations, including information on the duration of employment of program participants for at least a year following the termination of federally assisted programs and comparable information on other employees or trainees of participating employers; and

(3) total dollar cost per trainee, including breakdown between salary or stipend, training and supportive services, and administrative costs.

From the information received pursuant to this section, the Secretary shall compile the information on a State, regional, and national basis.

(c) The Secretary is authorized to carry out a special program to demonstrate the efficacy of providing certificates or vouchers to economically disadvantaged, unemployed, and underemployed persons entitling private employers who provide employment, training, and services to each person volunteering to participate in such program to payment in amounts equal to the face value of the certificate for specified periods of time during which each such person may not be fully productive.

REMOVAL OF ARTIFICIAL BARRIERS TO EMPLOYMENT AND ADVANCEMENT

SEC. 314. The Secretary, in consultation with appropriate departments and agencies of the Federal Government, shall conduct a continuing study of the extent to which artificial barriers to employment and occupation advancement, including civil service requirements and practices relating thereto, within agencies conducting programs under this Act, restrict the opportunities for employment and advancement within such agencies and shall develop and promulgate guidelines, based upon such study, setting forth recommendations for task and skill requirements for specific jobs and recommended job descriptions at all levels of employment, designed to encourage career employment and occupational advancement within such agencies.

TRAINING AND TECHNICAL ASSISTANCE

SEC. 315. The Secretary, in consultation with the Secretary of Health, Education, and Welfare, and other appropriate officials, where appropriate, shall provide directly or through grants, contracts, or other arrangements, preservice and inservice training for specialized, supportive, and supervisory or other personnel and technical assistance which is needed in connection with the programs established under this Act.

TITLE IV—JOB CORPS

STATEMENT OF PURPOSE

SEC. 401. This title establishes a Job Corps for low-income disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and nonresidential centers in which enrollees will participate in intensive programs of education, voca-

tional training work experiecne, counseling and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. The purpose of this title is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsive, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of National, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

ESTABLISHMENT OF THE JOB CORPS

SEC. 402. There is established within the Department of Labor a "Job Corps".

INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

SEC. 403. To become an enrollee in the Job Corps, a young man or woman must be a person who—

(1) is a permanent resident of the United States who has attained age fourteen but not attained age twenty-two at the time of enrollment;

(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular schoolwork, qualify for other training programs suitable to his needs, or satisfy Armed Forces requirements;

(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 404 and 405, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this title, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves; and

(5) meets such other standards for enrollment as the Secretary may prescribe (including special standards for the enrollment on a residential basis of 14 and 15 years old) and agrees to comply with all applicable Job Corps rules and regulations.

SCREENING AND SELECTION OF APPLICANTS—GENERAL PROVISIONS

SEC. 404. (a) The Secretary shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, rules established under this section shall be implemented through arrangements which make use of agencies and organizations such as community action agencies, public employment

offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting screening and selection activities; shall encourage recruitment through agencies and individuals having contact with youths over substantial periods of time and able, accordingly, to offer reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. The rules shall also provide for—

(1) the interviewing of each applicant for the purpose of

(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

(C) giving the applicant a full understanding of the Job Corps program and making clear what will be expected of him as an enrollee in the event of his acceptance; and

(2) the conduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

(b) The Secretary shall make no payments to any individual or organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

(c) The Secretary shall take all necessary steps to assure that the enrollment of the Job Corps includes an appropriate number of candidates selected from rural areas, taking into account the proportion of eligible youth who reside in rural areas and the need to provide residential facilities for such youth in order to meet problems of wide geographic dispersion.

SCREENING AND SELECTION—SPECIAL LIMITATIONS

SEC. 405. (a) No individual shall be selected as an enrollee unless it is determined that there is reasonable expectation that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. Before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other major behavioral aberrations, the Secretary of Labor shall obtain a finding from a professionally qualified person who knows such potential enrollee's individual situation that there is reasonable expectation that his conduct will not be inimical to the goals and success of the Job Corps and that the opportunity provided by the Job Corps will help him to overcome his problem.

(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Secretary, does not violate applicable laws or regulations, and if the Secretary has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

ENROLLMENT AND ASSIGNMENT

SEC. 406. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Secretary may authorize in special cases.

(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(c) Each enrollee (other than a native and citizen of Cuba described in section 609(a) of the Economic Opportunity Act of 1964 or a permanent resident of the Trust Territory of the Pacific Islands) must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm)that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic." The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

(d) After the Secretary has determined whether an enrollee is to be assigned to a men's training center, a conservation center, or a women's training center, the enrollee, shall be assigned to the center of the appropriate type in which a vacancy exists which is closest to the enrollee's home, except that the Secretary, on an individual basis, may waive this requirement when overriding considerations justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantaged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrollee or is necessary for efficiency and economy in the operation of the program.

(e) Assignments of male enrollees shall be made so that, at any one time, at least 40 percentum of those enrollees are assigned to conservation centers as described in section 407, or to other centers or projects where their work activity is primarily directed to the conservation, development, or management of public natural resources or recreational areas and is performed under the direction of personnel of agencies regularly responsible for the functions relating to such resources or areas.

JOB CORPS CENTERS

SEC. 407. (a) The Secretary may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. Job Corps centers may be residential or nonresidential in character, or both, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with

education, vocational training, work experience (either in direct program activities or through arrangements with employers), counselling, and other services appropriate to their needs. The centers shall include conservation centers, to be known as Civilian Conservation Centers, to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. The centers shall also include men's and women's training centers to be located in either urban or rural areas and to provide activities which shall include training and other services appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment.

(b) To the extent feasible, men's and women's training centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in programs described in title I of this Act. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Secretary may specify.

PROGRAM ACTIVITIES

SEC. 408. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manner that will best contribute to a long-term upward mobility. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) To the extent practicable, the Secretary may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where such institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school. The Secretary, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactorily completed their services in the Job Corps and which will the enrollee's level of educational attainment.

(d) The Secretary shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

ALLOWANCES AND SUPPORT

SEC. 409. (a) The Secretary may provide enrollees with such personal, travel and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs. Personal allowances shall be established at a rate not to exceed $35 per month during the first six months of an enrollee's participation in the program and not to exceed $50 per month thereafter, except that allowances in excess of $35 per month, but not exceeding $50 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six months' duration and the Secretary is authorized to pay personal allowances in excess of the rates specified herein in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) The Secretary shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months service in the Job Corps.

(c) The Secretary may provide each former enrollee upon termination, a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Secretary. The Secretary may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowances as the Secretary deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(d) Under such circumstances as the Secretary may determine, a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Secretary.

STANDARDS OF CONDUCT

SEC. 410. (a) Within Job Corps centers standards of conduct and deportment shall be provided and stringently enforced. In the case

of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations established by the Secretary.

COMMUNITY PARTICIPATION

SEC. 411. The Secretary shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Whenever possible, such advisory councils shall be formed by and coordinated under the local community action agency. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Secretary shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view to achieving, so far as possible, objectives which shall include—

(1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community;

(2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees;

(3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community;

(4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations;

(5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together;

(6) providing community residents with opportunities to work with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community;

(7) developing, where feasible, job or career opportunities for enrollees in the community; and

(8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, and agencies serving young people.

COUNSELING AND JOB PLACEMENT

SEC. 412. (a) The Secretary shall provide for the counseling and testing of each enrollee at regular intervals to follow his progress in educational and vocational programs.

(b) The Secretary shall counsel and test each enrollee prior to his scheduled termination to determine his capabilities and shall place him in a job in the vocation for which he is trained and in which he is likely to succeed, or shall assist him in attaining further training or education. In placing enrollees in jobs, the Secretary shall utilize the United States Employment Service to the fullest extent possible.

(c) The Secretary of Labor shall make arrangements to determine the status and progress of terminees and to assure that their need for further education, training, and counseling are met.

(d) Upon termination of an enrollee's training, a copy of his pertinent records, including data derived from his counseling and testing, other than confidential information, shall be made available immediately to the Department of Labor and the Office of Economic Opportunity.

(e) The Secretary shall, to the extent feasible in accordance with section 637(b) of the Economic Opportunity Act of 1964, arrange for the readjustment allowance provided for in section 409(c) of this Act, less any sums already paid pursuant to subsection (d) of that section to be paid to former enrollees (who have not already found employment) at the public employment service office nearest the home of any such former enrollee if he is returning to his home, or at the nearest such office to the community in which the former enrollee has indicated an intent to reside. The Secretary shall make arrangements by which public employment service officers will maintain records regarding former enrollees who are thus paid at such offices including information as to—

(1) the number of former enrollees who have declined the offices' help in finding a job;

(2) the number who were successfully placed in jobs without further education or training;

(3) the number who were found to require further training before being placed in jobs and the types of training programs in which they participated; and

(4) the number who were found to require further remedial or basic education in order to qualify for training programs, together with information as to the types of programs for which such former enrollees were found unqualified for enrollment.

If the Secretary deems it advisable to utilize the services of any other public or private organization or agency in lieu of the public employment office, he shall arrange for that organization or agency to make the payment of the readjustment allowance and maintain the same types of records regarding former enrollees as are herein specified for maintenance by public employment service offices, and shall furnish copies of such records to the Secretary. In the case of enrollees who are placed in jobs by the Secretary prior to the termination of their participation in the Job Corps, the Secretary shall maintain records providing pertinent placement and follow-up information.

EVALUATION: EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

SEC. 413. (a) The Secretary shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In particular, this evaluation shall seek to determine the costs and benefits resulting from the use of residential as opposed to nonresidential facilities, from the use of facilities combining residential and nonresidential components, from the use of centers with large as opposed to small enrollments, and from the use of different types of program sponsors, including public agencies, institutions of higher education, boards of education, and private corporations. The evaluation shall also include comparisons with proper control groups composed of persons who have not participated in the program. In carrying out such evaluations, the Secretary shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the program and shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. The Secretary shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program. The results of such evaluation shall be published and shall be summarized in the annual reoprt of the Secretary.

(b) The Secretary may undertake or make grants or contracts for experimental, research, or demonstration projects directed to developing or testing ways of securing the better use of facilities, of encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or moe projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. The Secretary may, if he deems it advisable, undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors, in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available to projects under this section to the extent they include the same or substantially similar activities. The Secretary may waive any provision of this title which he finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. He

shall, in the annual report of the Secretary, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

(c) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum utilization of existing educational and training facilities, the Secretary in cooperation with the Commissioner of Education, shall enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers. Such facilities shall be centrally located in an urban area having a high dropout rate, a large number of unemployed youths, and a need in the area for a combination vocational school and skill center. No such agreement shall be entered into unless it contains provisions designed to assure that—

(1) a job survey be made of the area;

(2) the training program of the school and skill center reflect the job market needs as projected by the survey;

(3) an advisory committee composed of representatives of business, labor, education, and community leaders be formed to follow the center's activities and to make periodic recommendations regarding its operation;

(4) arrangements have been worked out with schools in the area and the administrator of the skill center for maximum utilization of the center both during and after school hours; and

(5) such accounting and evaluation procedures as the Secretary and the Commissioner of Education deem necessary to carry out the purpose of this project will be provided.

ADVISORY BOARDS AND COMMITTEES

SEC. 414. The Secretary shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups ingaged in related activities. Nothing in this section shall be considered as limiting the functions of the National Advisory Council, established pursuant to section 605 of the Economic Opportunity Act of 1964, with respect to any matter or question involving the Job Corps; but this shall not prevent the establishment through or in cooperation with the National Advisory Council of one or more boards of committees under this section.

PARTICIPATION OF THE STATES

SEC. 415. (a) The Secretary shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of mean-

ingful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) The Secretary may enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Secretary may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

(c) No Job Corps center or other similar facility designed to carry out the purpose of this Act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved by him within 30 days of such submission.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 416. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, and in section 8143(a) of title 5, United States Code, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.) enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

(A) The term "performance of duty" shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

(b) Whenever the Secretary finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding $500.

(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

SPECIAL LIMITATIONS

SEC. 417. (a) The Secretary shall not use any funds made available to carry out this part for the fiscal year ending June 30, 1968, in a manner that will increase the residential capacity of Job Corps centers above forty-five thousand enrollees.

(b) The Secretary shall take necessary action to assure that on or before June 30, 1968, of the total number of Job Corps enrollees receiving training at least 25 per centum shall be women. The Secretary shall immediately take steps to achieve an enrollment ration of 50 per centum women enrollees in training in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

(c) The Secretary shall take necessary action to assure that for any fiscal year the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed $6,900 per enrollee.

(d) The Secretary shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

SEC. 418. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to statute, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or other Federal employee who solicits funds for political purposes from members of the Corps shall be in violation of section 602 of title 18, United States Code.

(c) Whenever the United States Civil Service Commission finds that any person has violated the provisions of this section, it shall

after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Secretary with specific instructions as to discipline or dismissal or other corrective actions.

ADMINISTRATIVE PROVISIONS

SEC. 419. (a) In carrying out the provisions of this title, the Secretary shall have the same powers as the Director of the Office of Economic Opportunity under Section 602 of the Economic Opportunity Act of 1964.

(b) The provisions of section 603 of this Act shall apply to this title only to the extent that such provisions are consistent with the provisions of this title.

TITLE V—NATIONAL COMMISSION FOR MANPOWER POLICY

FINDINGS AND DECLARATION OF PURPOSE

SEC. 501. (a) The Congress finds and declares that the responsibility for the development, administration, and coordination of programs of training and manpower development generally is so diffused and fragmented at all levels of government that it has been impossible to develop rational priorities in these fields, with the result that even good programs have proved to be far less effective than could reasonably be expected. The Congress further finds that the lack of a coherent, flexible, national manpower policy reduces our prospects of solving economic and social problems which threaten fundamental national interests and objectives.

(b) Accordingly, the purpose of this title is to establish a National Commission for Manpower Policy which will have the responsibility for examining these issues, for suggesting ways and means of dealing with them, and for advising the Secretary on national manpower issues.

COMMISSION ESTABLISHED

SEC. 502. (a) There is established a National Commission for Manpower Policy (hereinafter referred to as the "Commission") which shall consist of seventeen members selected as follows—

(1) the Secretary of Labor, the Secretary of Health, Education, and Welfare, the Secretary of Defense, the Secretary of Commerce, the Secretary of Agriculture, and the Administrator of the Veterans' Affairs; and

(2) a representative of the National Advisory Council on Vocational Education created pursuant to section 162 of the Vocational Education Act of 1963; and

(3) ten members broadly representative of labor, industry, commerce, education (including vocational and technical education), State and local elected officials involved with manpower programs, persons served by manpower programs and of the general public appointed by the President.

(b) The Commission shall meet at the call of the Chairman, who shall be selected by the President and who shall be one of the ten appointed public members, but not fewer than three times a year.

(c) The Chairman (with the concurrence of the Commission) shall appoint a Director, who shall be the chief executive officer of the Com-

mission and shall perform such duties as are prescribed by the Chairman. The Director may appoint, with the concurrence of the Chairman and the Secretary of Labor, such clerical staff as are necessary. The Commission may utilize such staff from the Department of Labor, the Department of Health, Education, and Welfare, and such other Federal agencies as may be available to assist the Commission in carrying out its responsibilities.

(d) The Commission may accept in the name of the Department of Labor and employ or dispose of gifts or bequests, to carry out its responsibilities under this title.

(e) Members of the Commission who are not officers or employees of the Federal Government shall be paid compensation at a rate of up to the per diem equivalent of the rate for GS–18 when engaged in the work of the Commission, including traveltime, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

FUNCTIONS OF THE COMMISSION

SEC. 503. The Commission shall—

(1) identify the manpower goals and needs of the Nation and assess the extent to which employment and training, vocational education, institutional training, vocational rehabilitation, economic opportunity, and other programs under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs and achieving such goals;

(2) conduct such studies, hearings, research, or other activities as it deems necessary to enable it to formulate appropriate recommendations;

(3) examine and evaluate the effectiveness of any federally assisted manpower development programs (including those assisted under this Act), with particular reference to the contributions of such programs to the achievement of objectives sought by the recommendations under clause (2) of this section;

(4) examine and evaluate major Federal programs which are intended to (or potentially could) contribute to achieving major objectives of existing manpower and related legislation or those set forth in the recommendations of the Commission and particularly the programs which are designed (or could be designed) to develop information and knowledge about manpower problems through research and demonstration projects or to train personnel in fields (such as occupational counseling, guidance, and placement) which are vital to the success of manpower program;

(5) (i) identify, after consultation with the National Advisory Council on Vocational Education, the employment and training and vocational education needs of the Nation and assess the extent to which employment training, vocational education, vocational rehabilitation, and other programs assisted under this and related Acts represent a consistent, integrated, and coordinated approach to meeting such needs; and (ii) comment, at least once annually, on the reports of the National Advisory Council on Vocational

Education, which comments shall be included in one of the reports submitted by the National Commission pursuant to this section and in one of the reports submitted by the National Advisory Council on Vocational Education pursuant to section 162 of the Vocational Education Act of 1963; and

(6) evaluate and make recommendations to the Congress with respect to the report of the Secretary required under section 506, and continue to make studies of the impact of energy shortages upon manpower needs and include these findings and recommendations with respect thereto in the reports required by section 505.

COORDINATION STUDY

SEC. 504. The Commission shall conduct a study of the utilization and interrelation of programs of manpower training with closely associated programs such as those conducted under the Wagner-Peyser Act, the work incentives program under part C of title IV of the Social Security Act, and others of similar nature, with a view to determining how they could be better coordinated and more effectively combined to serve individuals, particularly at the State and local levels, and shall make a report of their findings and recommendations to the President and the Congress not later than January 31, 1975.

REPORTS

SEC. 505. The Commission shall make at least annually a report of its findings and recommendations to the President and the Congress, and the first such report shall be transmitted not later than September 1, 1974. The Commission may make such interim reports or recommendations to the Secretary of Labor or to the heads of other Federal departments and agencies, and in such form, as it may deem desirable.

ENERGY STUDY

SEC. 506. The Secretary shall, immediately upon enactment of this Act, make a study of the impact of energy shortages, including fuel rationing, upon manpower needs. The Secretary shall make a report of his findings and recommendations thereon to the Congress and to the Commission not later than March 31, 1974.

TITLE VI—EMERGENCY JOB PROGRAMS

AUTHORIZATION OF APPROPRIATIONS

SEC. 601. There are authorized to be appropriated such sums as may be necessary for fiscal year 1976, and for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 *and for fiscal year 1978*, for carrying out the provisions of this title.

FINANCIAL ASSISTANCE

SEC. 602. (a) The Secretary shall enter into arrangements with eligible applicants in accordance with the provisions of this title in order to make financial assistance available for the purpose of provid-

ing transitional employment for unemployed and underemployed persons in jobs providing needed public services, and training and manpower services related to such employment which are otherwise unavailable, and enabling such persons to move into employment not supported under this Act.

(b) Notwithstanding the provisions of section 208(a)(7) of this Act, not less than 85 per centum of the funds allocated in accordance with the provisions of this title which are used by an eligible applicant for public service employment programs under this title shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title, and the remainder of such funds may be used for administrative costs, including rental costs (within such reasonable limitations as the Secretary may prescribe with respect to the rental of space), and to obtain necessary supplies, equipment, and materials.

(c) The provisions of section 204(d) and sections 205 through 211 shall apply to financial assistance under this title.

(d) In filling public service jobs with financial assistance under this title, eligible applicants shall give preferred consideration, to the maximum extent feasible and consistent with other provisions of this Act, to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits (except for persons lacking work experience), and to unemployed persons who have been unemployed for fifteen or more weeks.

(e) For purposes of this section, the term "eligible applicants" means prime sponsors qualified under title I and Indian tribes, bands, and groups qualified under section 302(c)(1) of this Act.

(f) In filling teaching positions in elementary and secondary schools with financial assistance under this title, each eligible applicant shall give special consideration to unemployed persons with previous teaching experience who are certified by the State in which that applicant is located and who are otherwise eligible under the provisions of this title.

ALLOTMENT OF FUNDS

SEC. 603. (a)(1) The Secretary shall reserve an amount equal to not less than 2 per centum of the amounts appropriated under section 601 for any fiscal year to enable Indian tribes, bands, and groups which are designated as eligible applicants under this title to carry out public service employment programs.

(2) Not less than 90 per centum of the remainder of the amounts appropriated under section 601 for any fiscal year shall be allocated among eligible applicants by the Secretary in accordance with the provisions of this subsection.

(3)(A) Fifty per centum of the amount allotted under this subsection shall be allotted among eligible applicants in proportion to the relative number of unemployed persons who reside in areas within the jurisdiction of each such applicant as compared to the number of unemployed persons who reside in all such areas in all the States.

(B) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants in accordance with the number of unemployed persons residing in areas of substantial un-

employment (as defined in section 204(c)) within the jurisdiction of the applicant compared to the number of unemployed persons residing in all such areas.

(C) Twenty-five per centum of the amount allotted under this subsection shall be allotted among eligible applicants on the basis of the relative excess number of unemployed persons who reside within the jurisdiction of the applicant as compared to the total excess number of unemployed persons who reside within the jurisdiction of all eligible applicants. For purposes of this subparagraph, the term "excess number" means (i) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the jurisdiction of the applicant in whose jurisdiction such persons reside or (ii), in the case of an applicant which is a State, the term "excess number" means such number as defined in clause (i) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

(b) The remainder of the amount appropriated under section 601 shall be available to the Secretary for financial assistance under section 602 as the Secretary deems appropriate to carry out the purposes of this title, taking into account changes in rates of unemployment. In distributing funds available for the discretionary use of the Secretary of Labor under this subsection, the Secretary is authorized to utilize such funds to assure a continuation of public service employment activities supported under this Act. In distributing such funds under this subsection to prime sponsors, the Secretary shall base allocations upon the public service employment activities sustained within the jurisdiction of each unit of general local government within the area served by each such prime sponsor in accordance with subsection (c) of this section.

(c) For purposes of determining allocations under this section, the term "jurisdiction" includes the jurisdiction of each unit of general local government as described in section 102(a)(2) whether or not such unit has entered into a combination of units of general local government for purposes of section 102(a)(3) or section 102(a)(4).

(d) Whenever the Secretary allocates any funds available under subsection (b) of this section through a distribution based upon a formula, he shall, not later than 30 days prior to such allocation, publish in the Federal Register the specific formula upon which such distribution is based, the rationale behind the selection of the formula, and the proposed distribution for each prime sponsor. After consideration of comments received under the preceding sentence, the Secretary shall publish final allocations.

(1) public service employment programs without regard to the provisions of sections 205(b), 205(c)(4), 205(c)(6), 205(c)(16), 205(c)(19), and 208(a)(6),

(2) providing employment for persons who have been unemployed for at least 15 days without regard to the provision of section 205(a) relating to 30 days of unemployment, if the applicant certifies that the hiring of an individual will not violate the provisions of section 205(c)(8).

(3) payment of wages (at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276–5)), for unemployed and underemployed persons as employees of public employers in jobs on community capital improvement projects which would not otherwise be carried out, including the rehabilitation, alteration, or improvement of public buildings, roads and other public transportation facilities, health and education facilities, and other facilities for the improvement of the community in which the project is or will be located, and including construction, rehabilitation, alteration, or improvement of water and waste disposal facilities in communities having populations of 10,000 individuals or less which are outside the boundaries of a Standard Metropolitan Statistical Area (as defined by the Bureau of the Census).

(c) The provisions of subsection (b) shall apply to any area having an unemployment rate in excess of 7 per centum, and to any area, without regard to the rate of unemployment of such area, if such area is served by a prime sponsor which qualifies under section 102(a)(4) or section 102(a)(5) or is in an area which is eligible for assistance under title II and which is served by a State prime sponsor, and if the prime sponsor for such area certifies to the Secretary that the application of such provisions is necessary in order to provide sufficient job opportunities, and gives public notice of such certification.

EXPENDITURE OF FUNDS

SEC. 605. (a) Funds obligated for the purposes of providing public service employment under this title may be utilized by prime sponsors for projects and activities, including projects and activities to be carried out by project applicants as defined in section 701(a)(15) of this Act, planned to extend over a twelve-month period from the commencement of any such project or activity.

(b) No funds for public service employment programs under this Act may be used to provide public services, through a private or nonprofit organization or institution, which are customarily provided by a State, a political subdivision, or a local educational agency in the area served by the project.

REALLOCATION OF FUNDS

SEC. 606. The Secretary is authorized to make such reallocations as he deems appropriate of any amount of any allocation under this title to the extent that the Secretary determines that an eligible applicant will not be able to use such amount within a reasonable period of time. Any such amount may be reallocated only if the Secretary has provided thirty days' advance notice to the prime sponsor for such area and to the Governor of the State of the proposed reallocation, during which period of time the prime sponsor and the Governor may submit comments to the Secretary. After considering any comments submitted during such a period of time, the Secretary shall notify the Governor and affected prime sponsors of any decision to reallocate funds, and shall publish such decision in the Federal Register. In reallocating any such funds, the Secretary shall give priority first to

other areas within the same State and then to areas within other States, taking into account the number of eligible unemployed individuals (as described in section 608) in such areas.

RESERVATION OF FUNDS; EMPLOYMENT OF LONG-TERM UNEMPLOYED, LOW-INCOME PERSONS

SEC. 607. (a) Each prime spnsor, in accordance with regulations which the Secretary shall prescribe, shall reserve out of any allocation which it receives under this title from appropriations for fiscal year 1977 *and for fiscal year 1978* such amount as will be sufficient, when added to funds available for use under title II of this Act during *each* such fiscal year, to enable the prime sponsor to sustain throughout *each* such fiscal year the number of public service jobholders supported under this title and title II of this Act on June 30, 1976.

(b) The amount of each prime sponsor's allocation under this title remaining after funds are reserved for the purpose described in subsection (a) of this section shall be used to provide public service jobs for eligible unemployed persons (as described in section 608) in projects and activities carried out by project applicants (as defined in section 701(a)(15) of this Act). Such projects and jobs shall not exceed twelve months in duration and shall provide employment consistent with the aim of maintaining average federally supported wage rates for public service jobholders (adjusted on a regional and area basis) as set forth under section 209(b) of this Act.

(c) Vacancies occurring after June 30, 1976, in jobs supported under this title and the Emergency Supplemental Appropriations Act of 1976 (Public Law 94-266) to which subsection (a) of this section is applicable shall be filled as follows:

(1) Fifty per centum of such vacancies shall be filled in accordance with the provisions of section 608.

(2) Fifty per centum of such vacancies shall be filled in accordance with the provisions of this title (other than the provisions of this section, except for this paragraph, and of sections 608 and 609) except that a prime sponsor may give preference in filling such vacancies to unemployed public health and safety personnel in public health and safety positions for which they are qualified.

ELIGIBILITY OF LONG-TERM UNEMPLOYED, LOW-INCOME PERSONS

SEC. 608. (a) In filling public service jobs with financial assistance available for the purposes of subsections (b) and (c)(1) of section 607, each prime sponsor shall determine that any person to be employed in any such public service job (1) is an individual—

(A) who has been receiving unemployment compensation for fifteen or more weeks;

(B) who is not eligible for such benefits and has been unemployed for fifteen or more weeks;

(C) who has exhausted unemployment compensation benefits; or

(D) who is, or whose family is, receiving aid to families with dependent children provided under a State plan approved under part A of title IV of the Social Security Act;

and (2) is not a member of a household which has current gross family income, adjusted to an annualized basis (exclusive of unemployment compensation and other public payments which such individual will be disqualified from receiving by reason of employment under this title) at a rate exceeding 70 per centum of the lower living standard income level.

(b) For purposes of this section, the term "lower living standard income level" means that income level (adjusted for regional and metropolitan and urban and rural differences and family size) determined annually by the Secretary based upon the most recent "lower living standard budget" issued by the Bureau of Labor Statistics of the Department of Labor.

(c) In filling public service jobs, each prime sponsor shall take reasonable steps, which such sponsor shall determine, to insure that funds provided in accordance with subsections (b) and (c)(1) of section 607 shall be equitably allocated for jobs among the categories of eligible persons described in section 608(a) in light of the composition of the population of unemployed eligible persons served by the prime sponsor.

(d) In providing public service jobs and determining hours of work for eligible persons with financial assistance provided in accordance with subsections (b) and (c)(1) of section 607, each prime sponsor shall take into account the household support obligations of the men and women applying for such jobs, and shall give special consideration to such alternative working arrangements as flexible hours of work, shared time, and part-time jobs, for eligible persons, particularly for parents of young children and for older persons.

(e) The Secretary, through the affiliated State employment security agencies, shall take steps to inform the recipients of unemployment compensation benefits of any available public service jobs for which such recipients may be eligible, but such notification shall clearly state that such notification is designed only to inform, and in no way to coerce, such recipients with respect to the availability of such jobs.

APPROVAL OF PROJECTS

SEC. 609. (a) In order for a project application submitted by a project applicant to be approved by the prime sponsor for financial assistance provided in accordance with subsection (b) of section 607, copies of such application shall have been submitted at the time of such application to the prime sponsor's planning council established under section 104, for the purpose of affording such council an opportunity to submit comments and recommendations with respect to that application to the prime sponsor. No member of a prime sponsor's planning council shall cast a vote on any matter in connection with a project in which that member (or any organization with which that member is associated) has a direct interest.

(b) Consistent with procedures established by the prime sponsor in accordance with regulations which the Secretary shall prescribe, the prime sponsor shall not disapprove a project application submitted by a project applicant unless it has first considered any comments and recommendations made by the prime sponsor's planning council and unless it has provided such applicant and the planning council with a written statement of its reasons for such disapproval.

TITLE VII—GENERAL PROVISIONS

DEFINITIONS

SEC. 701. (a) As used in this Act, the term—

(1) "Community-based organizations" means organizations which are representative of communities or significant segments of the communities and which provide manpower services (for example, Opportunities Industrialization Centers, Jobs for Progress, Mainstream, and Community Action Agencies).

(2) "Governor" means the chief executive of any State.

(3) "Health care" includes, but is not limited to, preventive and clinical medical treatment, family planning services, nutrition services, and appropriate psychiatric, psychological, and prosthetic services, to the extent any such treatment or services are necessary to enable the recipient of manpower services to obtain or retain employment.

(4) "Low-income level" means $7,000 with respect to income in 1969, and for any later year means that amount which bears the same relationship to $7,000 as the Consumer Price Index for that year bears to the Consumer Price Index for 1969, rounded to the nearest $1,000.

(5) "Manpower allotment" means sums received by a State or area under title I of this Act for any fiscal year (or, where applicable, under title II of the Manpower Development and Training Act of 1962, and part B of title I of the Economic Opportunity Act of 1964).

(6) "Offender" means any adult or juvenile who is confined in any type of correctional institution and also includes any individual or juvenile assigned to a community based facility or subject to pretrial, probationary, or parole or other stages of the judicial correctional or probationary process where manpower training and services may be beneficial, as determined by the Secretary, after consultation with judicial, correctional, probationary, or other appropriate authorities.

(7) "Public service" includes, but is not limited to, work, including part-time work for individuals who are unable, because of age, handicap, or other factors, to work full time, in such fields as environmental quality, health care, education, child care, public safety, crime prevention and control, prison rehabilitation, transportation, recreation, maintenance of parks, streets, and other public facilities, solid waste removal, pollution control, housing and neighborhood improvements, rural development, conservation, beautification, veterans outreach, and other fields of human betterment and community improvement.

(8) "Secretary" means the Secretary of Labor.

(9) "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(10) "Unit of general local government" means any city, municipality, county, town, township, parish, village or other general purpose political subdivision which has the power to levy taxes and spend funds, as well as general corporate and police powers.

(11) "Underemployed persons" means—

(A) persons who are working part-time but seeking full-time work;

(B) persons who are working full-time but receiving wages below the poverty level determined in accordance with criteria as established by the Director of the Office of Management and Budget.

(12) "Unemployed persons" means—

(A) persons who are without jobs and who want and are available for work; and

(B) except for purposes of sections 103 and 202, adults who or whose families receive supplemental security income or money payments pursuant to a State plan approved under title I, IV, X, or XVI of the Social Security Act or would, as defined in regulations to be issued by the Secretary, be eligible for such payments but for the fact that both parents are present in the home (1) who are determined by the Secretary of Labor, in consultation with the Secretary of Health, Education, and Welfare, to be available for work, and (2) who are either (i) persons without jobs, or (ii) persons working in jobs providing insufficient income to enable such persons and their families to be self-supporting without welfare assistance;

and the determination of whether persons are without jobs shall be made in accordance with the criteria used by the Bureau of Labor Statistics of the Department of Labor in defining persons as unemployed, but such criteria shall not be applied differently on account of a person's previous employment.

(13) "Wagner-Peyser Act" means "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (48 Stat. 113), as amended (29 U.S.C. 49 et seq.).

(14) "veterans outreach" means the veterans outreach services program carried out under subchapter IV of chapter 3 of title 38, United States Code, with full utilization of veterans receiving educational assistance or vocational rehabilitation under chapter 31 or 34 of such title 38.

(15) "project applicants" includes States and agencies thereof, units of general local government and agencies thereof or combinations or associations of such governmental units when the primary purpose of such combinations or associations is to assist such governmental units to provide public services, special purpose political subdivisions having the power to levy taxes and spend funds or serving such special purpose within an area served by one or more units of general local government, local educational agencies as defined in section 801(f) of the Elementary and Secondary Education Act of 1965, institutions of higher education as defined in section 1201(a) of the Higher Education Act of 1965, community-based organizations as defined in paragraph (1) of this subsection, community development corporations, nonprofit groups and organizations serving Indians or Native Hawaiians, and other nonprofit private organizations or institutions engaged in public service.

(b) As used in section 208(c) of this Act, the term "area" means—

(1) where the applicant is an eligible unit of government or an Indian tribe, that geographical area over which the applicant exercises general political jurisdiction, or

(2) where the applicant is a public agency or institution which is a subdivision of an eligible unit of government, that geographical area over which such unit of government exercise general political jurisdiction.

LEGAL AUTHORITY

SEC. 702. (a) The Secretary may, in accordance with chapter 5 of title 5, United States Code, prescribe such rules, regulations, guide lines, and other published interpretations under this Act as he deems necessary. Rules, regulations, guidelines and other published interpretation or orders may include adjustments authorized by section 204 of the Intergovernmental Cooperation Act of 1968. For purposes of chapter 5 of such title any condition or guideline for receipt of financial assistance shall be deemed a rule to which section 553 applies. All such rules, regulations guidelines and other published interpretations or orders under this Act shall be published in the Federal Register at least thirty days prior to their effective date. Copies of all such rules, regulations, guidelines, and other published interpretations or orders shall be transmitted to the appropriate committees of the Congress at the same time and shall contain with respect to each material provision of such rules, regulations, guidelines, and the other published interpretations or orders, citations to the particular substantive section of law which is the basis therefore.

(b) The Secretary may make such grants, contracts, or agreements, establish such procedures (subject to such policies, rules, and regulations as he may prescribe), and make such payments, in installments and in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as he may deem necessary to carry out the provisions of this Act, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditures for construction, repairs, and capital improvements, and including necessary adjustments in payments on account of overpayments or underpayments. The Secretary may also withhold funds otherwise payable under this Act, but only in order to recover any amounts expended in the current or immediately prior fiscal year in violation of any provision of this Act or any term or condition of assistance under this Act.

(c) The Secretary shall not, by regulation or otherwise, impose any quota or limitation on the number or percentage of persons hired under title II or VI, or both, of this Act who were former employees of public employers under this Act and who held jobs supported under title II or VI of this Act on June 30, 1976, or who are hired to fill vacancies under the provisions of section 607(c)(2). Any person who, between June 30, 1976, and the date of enactment of this Act, was laid off from a job supported under title II or VI of this Act by reason of such a quota or limitation may be reinstated by the prime sponsor without regard to the provisions of section 607(c). Nothing in this subsection shall be construed to relieve any prime sponsor from complying with section 205(c)(8) of this Act.

CONDITIONS APPLICABLE TO ALL PROGRAMS

SEC. 703. The Secretary shall not provide financial assistance for any program under this Act unless—

(1) the grant, contract, or agreement with respect thereto specifically provides that no persons with responsibilities in the operation of such program will discriminate with respect to any program participant or any applicant for participation in such program because of race, creed, color, national origin, sex, *age*, political affiliation, or beliefs;

(2) such program does not involve political activities;

(3) participants in the program will not be employed on the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(4) conditions of employment or training will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(5) appropriate standards for the health, safety, and other conditions applicable to the performance of work and training on any project are established and will be maintained;

(6) appropriate workmen's compensation protection will be provided to all participants;

(7) the program will not result in the displacement of employed workers or impair existing contracts for services or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(8) persons shall not be referred for training in an occupation which required less than two weeks of preemployment training unless there are immediate employment opportunities available in that occupation;

(9) training and related services under any such program are designed, to the maximum extent practicable, consistent with every individual's fullest capabilities, to lead to employment opportunities enabling participants to become economically self-sufficient;

(10) no person shall be referred for training authorized under paragraph (3) or (4) of section 101 unless the Secretary or the prime sponsor, as appropriate, shall have determined that there is a reasonable expectation of employment for such person in the occupation for which he is being trained;

(11) funds will be used to supplement, to the extent practicable, the level of funds that would otherwise be made available from non-Federal sources for the purpose of planning and administration of programs within the scope of this Act and not to supplant such other funds;

(12) the applicant will make such reports, in such form and containing such information as the Secretary may from time to time require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure that funds are being expended in accordance with the provisions of this Act;

(13) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(14) the program has adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of inservice training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds; and

(15) the program makes appropriate provision for the manpower needs of youths in the area to be served.

SPECIAL PROVISIONS

SEC. 704. (a) No authority conferred by this Act shall be used to enter into arrangements for, or otherwise establish, any training programs in the lower wage industries in jobs where prior skill or training is typically not a prerequisite to hiring and where labor turnover is high, or to assist in relocating establishments from one area to another. Such limitations on relocation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(b) Acceptance of family planning services provided to trainees shall be voluntary on the part of the individual to whom such services are offered and shall not be prerequisite to eligibility for or receipt of any benefit under the program.

(c) No non-governmental individual, institution, or organization shall evaluate any program under this Act if that individual or such institution or organization is associated with that program as a consultant, technical adviser, or in any similar capacity.

(d) Financial records of a prime sponsor relating to public service employment programs assisted under this Act and records of the names, addresses, positions, and salaries of all persons employed in public service jobs assisted under this Act shall be maintained and made available to the public.

(e) Notwithstanding any other provision of law, funds allocated by a prime sponsor or an Indian tribe, band, or group for the employment of individuals under this Act may be expended in conjunction with funds from any other public or private source, but funds allocated under this Act may only be expended in accordance with the requirements of this Act.

(f) Notwithstanding any other provision of law, employment and training services furnished under this Act in connection with weatherization projects authorized under section 222(a)(12) of the Economic Opportunity Act of 1964 may include work on such projects for the near poor, including families having incomes which do not exceed 125 per centum of the poverty line as established by section 625 of the Economic Opportunity Act of 1964.

REPORTS

SEC. 705. (a) The Secretary shall make such reports and recommendations to the President as he deems appropriate pertaining to employment and occupational requirements, resources, use, and training, and his recommendations for the succeeding fiscal year, and the President shall transmit to the Congress within sixty days after the beginning of each regular session a report pertaining to manpower requirements, resources, utilization, and training.

(b) The Secretary and the Secretary of Health, Education, and Welfare shall report to the Congress on the extent to which community colleges, area vocational and technical schools and other vocational educational agencies and institutions, and vocational rehabilitation agencies are being utilized to carry out training programs supported in whole or in part from provisions of this and related Acts, the extent of which administrative steps have been taken and are being taken to encourage the use of such facilities and institutions and agencies in the carrying out of the provisions of this Act and any further legislation that may be required to assure effective coordination and utilization of such facilities and agencies to the end that all federally supported employment and training, vocational education, and vocational rehabilitation programs can more effectively accomplish their objectives of providing employment and training opportunities to all persons needing occupational training.

(c) The Secretary shall transmit to the Congress at the earliest appropriate date, but not later than March 1, of each calendar year a report setting forth a description of summer programs providing jobs for economically disadvantaged youth to begin in June of such year, including the number of opportunities in public and private agencies or organizations that will be provided under section 304 (a)(3) of this Act or in the case of the summer of 1974 under section 3(c), and a statement as to the total number of such persons who would be eligible for such programs, together with his recommendations, if any, for supplemental appropriations for such programs.

(d) The Secretary, through the Bureau of Labor Statistics, shall annually compile and maintain information on the incidence of unemployment among offenders and shall publish the results of the information obtained pursuant to this subsection in the report required under subsection (a) of this section.

(e) The Chairman of the United States Civil Service Commission, in consultation with the Secretary, shall report to the President and to the Congress no later than six months after the effective date of this Act on the extent to which and manner in which employment opportunities for offenders may be increased in the Federal service, with special reference to the criteria used in determining the suitability of offenders for Federal employment, including such recommendations for additional legislation as they deem advisable.

(f) Each prime sponsor shall prepare for the Secretary, and make available, to the public, a report on its activities under the Act, including a detailed comparison of program performance with approved plan.

LABOR STANDARDS

SEC. 706. All laborers and mechanics employed by contractors or subcontractors in any construction, alteration, or repair, including painting and decorating of projects, buildings, and works which are federally assisted under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a–5). The Secretary shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)).

ACCEPTANCE OF GIFTS

SEC. 707. The Secretary is authorized, in carrying out his functions and responsibilities under this Act, to accept in the name of the Department, and employ or dispose of in furtherance of the purposes of this Act, or any title thereof, an unconditional gift of any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and to accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes of the United States.

UTILIZATION OF SERVICES AND FACILITIES

SEC. 708. (a) In addition to such other authority as he may have, the Secretary is authorized, in the performance of his functions under this Act, and to the extent permitted by law, to utilize the services and facilities of departments, agencies, and establishments of the United States. The Secretary is also authorized to accept and utilize the services and facilities of the agencies of any State or political subdivision of a State, with their consent.

(b) The Secretary shall carry out his responsibilities under this Act through the utilization, to the extent appropriate, of all resources for skill development available in industry, labor, public and private educational and training institutions, vocational rehabilitation agencies, and other State, Federal, and local agencies, and other appropriate public and private organizations and facilities, with their consent.

INTERSTATE AGREEMENTS

SEC. 709. In the event that compliance with provisions of this Act would be enhanced by cooperative agreements between States, the consent of Congress is hereby given to such States to enter into such compacts and agreements to facilitate such compliance, subject to the approval of the Secretary.

PROHIBITION AGAINST POLITICAL ACTIVITIES

SEC. 710. The Secretary shall not provide financial assistance for any program under this Act which involves political activities; and

neither the program, the funds provided therefor, nor personnel employed in the administration thereof, shall be, in any way or to any extent, engaged in the conduct of political activities in contravention of chapter 15 of title 5, United States Code.

CRIMINAL PROVISIONS

SEC. 711. (a) Chapter 31 of title 18, United States Code, is amended by adding a new section 665 to read as follows:

"THEFT OR EMBEZZLEMENT FROM MANPOWER FUNDS; IMPROPER INDUCEMENT

"SEC. 665. (a) Whoever, being an officer, director, agent or employee of, or connected in any capacity with, any agency receiving financial assistance under the Comprehensive Employment and Training Act of 1973 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to this Act shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000, or imprisoned not more than one year, or both.

"(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Comprehensive Employment and Training Act of 1973, induces any person to give up any money or thing of any value to any person (including such grantee agency) shall be fined not more than $1,000, or imprisoned not more than one year, or both."

(b) The analysis of chapter 31 is amended by adding at the end thereof the following new item:

"665. Theft or embezzlement from manpower funds; improper inducement."

NONDISCRIMINATION

SEC. 712. (a) No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this Act.

(b) Whenever the Secretary determines that a prime sponsor or eligible applicant has failed to comply with subsection (a) or an applicable regulation, he shall notify the prime sponsor or eligible applicant of the noncompliance and shall request the prime sponsor or eligible applicant to secure compliance. If within a reasonable period of time, not to exceed sixty days, the prime sponsor or eligible applicant fails or refuses to secure compliance, the Secretary, in addition to exercising the powers and functions provided for the termination of financial assistance under this Act, is authorized (1) to refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) to exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); or (3) to take such other action as may be provided by law.

(c) When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a prime sponsor or eligible applicant is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(d) The Secretary shall enforce the provisions of subsection (a) dealing with discrimination on the basis of sex in accordance with section 602 of the Civil Rights Act of 1964. Section 603 of such Act shall apply with respect to any action taken by the Secretary to enforce such provisions of such subsection. This section shall not be construed as affecting any other legal remedy that a person may have if that person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with any program or activity receiving assistance under this Act.

RECORDS, AUDITS, AND REPORTS

SEC. 713. In order to assure that funds provided under this Act are used in accordance with its provisions, each recipient shall—

(1) use such fiscal, audit, and accounting procedures as may be necessary to assure (A) proper accounting for payments received by it, and (B) proper disbursement of such payments;

(2) provide to the Secretary and the Comptroller General of the United States access to, and the right to examine, any books, documents, papers, or records as he requires; and

(3) make such reports to the Secretary or the Comptroller General of the United States as he requires.

REPEALER

SEC. 714. Effective with respect to fiscal years after June 30, 1974, and Manpower Development and Training Act of 1962 and parts A, B, and E of title I of the Economic Opportunity Act of 1964 are repealed. Unexpended appropriations for carrying out such Acts may be made available to carry out this Act, as directed by the President.

EFFECTIVE DATE

SEC. 715. This Act shall take effect on the date of its enactment.

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